

KINGDOM OF MOROCCO
AGENCY OF THE PARTNERSHIP FOR PROGRESS



MONITORING AND EVALUATION PLAN – MOROCCO COMPACT
FINANCED BY THE MILLENNIUM CHALLENGE CORPORATION

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ACRONYMES ET ABRÉVIATIONS

ADER	Agence pour la Dédensification et la Réhabilitation de la Medina de Fez (Agency for the De-densification and Rehabilitation of the Fez Medina)
AGR	Actions Génératrices de Revenu (Income Generating Activities)
AMC	Association de microcrédit (Micro-credit associations)
ANPME	Agence Nationale de la Promotion de la Petite et Moyenne Entreprise (National Agency for the Promotion of Small and Medium Enterprises)
APP	Agence du Partenariat pour le Progrès (Agency of the Partnership for Progress)
DME	Department of Monitoring and Evaluation
ERR	Economic Rate of Return
FLVT	Functional Literacy and Vocational Training
INDH	Initiative nationale pour le développement humain (National Initiative for Human Development)
ITT	Indicator Tracking Table
MAMF	Ministry of Agriculture and Maritime Fisheries
M&E	Monitoring and Evaluation
MIS	Management Information System
OFPPT	L'Office de la Formation Professionnelle et de la Promotion du Travail (Office for Professional Training and Promotion of Employment)
PDA	Points de Débarquement Aménagés (Fishing Landing Sites)
PLY	Place Lalla Ydouna
PME	Petite et Moyenne Entreprise (Small and Medium Enterprises)
SECA	Secrétariat d'Etat chargée de l'Artisanat (Secretary of State for Artisanat)
VT	Vocational training
WUA	Water Users' Association

I. OVERVIEW

On August 31, 2007, the Government of the Kingdom of Morocco and the Government of the United States of America, represented by the Millennium Challenge Corporation, signed an agreement, the Millennium Challenge Compact, providing Morocco a grant of \$697.5 million. This agreement was based on a foundation of good governance and transparency with particular attention to monitoring and evaluation.

The goal of the Morocco Compact is to reduce poverty through economic growth by increasing productivity and improving employment in sectors with strong growth potential. The Compact will stimulate growth and increase employment in agriculture, handicrafts and small-scale fishing. Its investments will support activities impacting the economy at the national, regional and local levels, promoting improvements in economic growth, investment, employment and income while expanding domestic and export markets.

The MCA-Morocco program primarily targets urban and rural areas with significant opportunities for higher employment benefiting from rich natural resources that do not live up to their economic potential because of traditional production methods that constrain productivity and quality.

According to the Millennium Challenge Compact, Program execution is managed by the Agency of Partnership for Progress (APP), which has the legal status of a public organization with autonomous financial resources. It is administered by a Strategic Steering Committee presided over by the Prime Minister.

The Morocco Compact is made up of five Projects: Fruit Tree Productivity, Small-scale Fisheries, Artisan and Fez Medina (including the Functional Literacy and Vocational Training activity), Enterprise Support, and Financial Services. The APP has established agreements with entities that will be tasked with implementing each of the Projects e.g. ministerial departments, offices, and agencies:

- The Ministry of Agriculture and Maritime Fishing is the implementing entity for the Fruit Tree Productivity Project and the Functional Literacy activity for the agricultural and fisheries sectors;
- The National Fisheries Office (ONP) is the implementing entity for the Small-scale Fisheries Project;
- The Secretary of State for Artisanat (SECA) is in charge of implementing activities within in the Artisan and Fez Medina Project: Artisan Production, Artisan Promotion, and Functional Literacy and Vocational Training for the artisan sector.
- The Agency for De-densification and Rehabilitation of the Fez Medina (ADER) manages the Fez Medina rehabilitation activity within the Artisan and Fez Medina Project;
- The OFPPT, l'ANPME and l'INDH implement the Enterprise Support Project;

In addition, the APP has signed a loan agreement with the Jaida Fund to support the Financial Services Project.

The Monitoring and Evaluation Plan (M&E Plan) provides guidelines on how APP will monitor Program implementation performance. Further, the M&E Plan explains how evaluation of project performance and program impacts will be undertaken. Study findings are intended to assist in project management and implementation, as well as offering guidance for future development projects in Morocco or elsewhere in the world.

The M&E Plan describes how project performance will be measured and how monitoring indicators will be reported, as well as the content and methodology for specific evaluations. The M&E Plan is in compliance with the requirements of Annex III of the Compact, which broadly describes the M&E approach required by the Compact.

This report presents the objectives of the M&E Plan, the approach adopted to fulfill its requirements, and the way in which the Plan will be put into practice.

The M&E Plan adopted is a management tool to help decision-making based on the need to:

- Assist in assessing project progress, and identifying and explaining differences between expected and actual achievements. The information gathered for this purpose will be organized as dashboards adapted to various levels of decision making. In this regard, M&E identifies problems that suggest where project adjustments might be made. It describes the way in which the APP and implementing entities monitor projects using a variety of performance indicators and the strategy for data collection and data quality assurance.
- Conduct evaluations to provide information on project performance, as well as data on anticipated and unanticipated impacts. These evaluations can help improve program implementation and assist in strengthening the execution of similar projects in the future. The M&E Plan describes the evaluations planned for different projects, their objectives, and approaches to be taken.

The results-based M&E Plan measures changes in outputs, outcomes and impacts affecting project beneficiaries by comparing actual results with target and baseline data. Dashboards will be provided on a regular schedule to APP Departments, implementing entities, and executing entities to assist them in project management.

The M&E Plan clearly establishes the responsibilities of different entities charged with carrying out data collection activities. It defines data collection methods, the frequency of the data collection, how the data will be transmitted, and the responsible data-collection entity.

The M&E Plan has been reviewed by project teams and cross-cutting directors at APP to ensure that it is responsive to their needs; it will be circulated widely to ensure that all interested parties are fully informed about the MCC Compact Program.

The M&E Plan is based on ‘logical framework’ methodology that enables one to examine the logic behind the Program and, in so doing, identify M&E indicators.

II. PROGRAM SUMMARY

1. Description of Projects and Activities

1.1 Fruit Tree Productivity Project (\$300.9 million)

The objective of this project is to increase the production of crops that consume less water than those currently planted (i.e. olives, almonds, dates and figs instead of cereal crops) and in so doing increase the income of farmers. The project includes activities related to fruit tree production, post-harvest processing, and marketing that will assist farmers in rain-fed, irrigated and oasis areas.

Due to significant projected cost increases for irrigation infrastructure and tree expansion, as suggested by the first signed contract for this Project, Compact objectives could not be achieved within the original budget. This resulted in a rescoping of the project. The area to be planted in rainfed areas decreased from 120,000 Ha to 62,000 Ha, while the number of perimeters to be rehabilitated in irrigated and oasis areas remains unchanged.

After rescoping, the project targets more than 107,000 farmers in rain-fed, irrigated and oasis areas covering a total of 170,000 hectares.

The project covers 26 provinces in mountainous and oasis areas. Their selection was based on the following criteria:

- High poverty rates;
- Low income in comparison to other regions;
- Resources favorable to the development of the proposed economic activities.

The Project activities include:

Upstream:

- Rehabilitation and expansion of olive, almond and fig plantations in rain-fed areas ;
- Rehabilitation of olives orchards in areas with small and medium irrigation systems ;
- Rehabilitation of date palms in oases;

Downstream:

- Strengthen the olive and date value-chain.

1.2 Small Scale fisheries project (\$116.2 million)

The Small-Scale Fisheries Project targets the transformation of the small-scale fisheries sector by modernizing the means of catching, landing, storing, and marketing fish, thereby improving the quality of the catch, maintaining the value chain, and increasing fishers' access to both local and export markets.

Project activities included initially the development of up to 20 landing sites, including facilities for marketing, as well as accommodation for artisanal fishing at 13 urban ports. For technical reasons, the project was scaled down to 11 PDAs and 10 ports.

In addition, the project includes improvements in the domestic market through better distribution. Six new wholesale markets will be built in Rabat, Marrakech, Meknes, Tetouan, Taza and Beni Mellal and 2000 mobile fish vendors will be equipped with motorcycles and insulated boxes to improve the quality of the marketed fish.

The project will train small-scale fishers and boat owners, include an integrated gender approach, and support research to ensure sustainable use of resources and maintenance of the small-scale fishing industry.

1.3 Artisan and the Fez Medina Project (\$ 90.6 million)

The Artisan and Fez Medina Project expects to stimulate economic growth by improving linkages between handicrafts, tourism and the rich cultural, historic and architectural patrimony of the Fez Medina. It fosters better quality artisanal products by supporting improved production and management techniques, as well as providing access to bank credit and micro-credit for investments in less polluting gas kilns. In addition, artisan products will benefit from promotion activities both in the domestic and international markets.

To encourage tourism, the project supports the restoration of historic sites in the Fez Medina and an international architectural design competition for Place Lalla Yeddouna, an important site in the Medina.

In January 2010, the Government of Morocco decided to withdraw the Makina site from this project. As a consequence, the Fez Medina activity was rescope. The Budget initially allocated to the Makina was, in part, to increase the budget of the Fez Medina activity overall to mitigate the cost risk. The rest was allocated to a catalyst fund (21.2 million US\$) that will promote private investment in downstream activities of the chain value of olives and dates in the project areas.

Finally, a Functional Literacy and Vocational Training Activity will reinforce the basic skills of artisans and beneficiaries from the other Compact sectors, to improve their employability, their revenues, and their capacity to support the growth of their sectors.

1.4 Financial Services Project (\$46.2 million)

The goal of this project is to improve the financial services available to Moroccan micro-enterprises by improving market stability and overcoming constraints inhibiting the expansion of the microfinance sector. First, the Compact provides funds in the form of a subordinated debt to Jaida, a non-bank financial institution started in April 2007 to lend to the micro-credit sector. In addition, the legal framework underlying micro-credit associations will be reviewed to determine their potential to accept savings and offer additional financial services. Moreover, the project provides support to improve the efficiency and transparency of the microfinance sector, reducing the costs and improving the quality of micro-enterprise loans in the long term.

1.5 Enterprise Support Project (\$33.9 million)

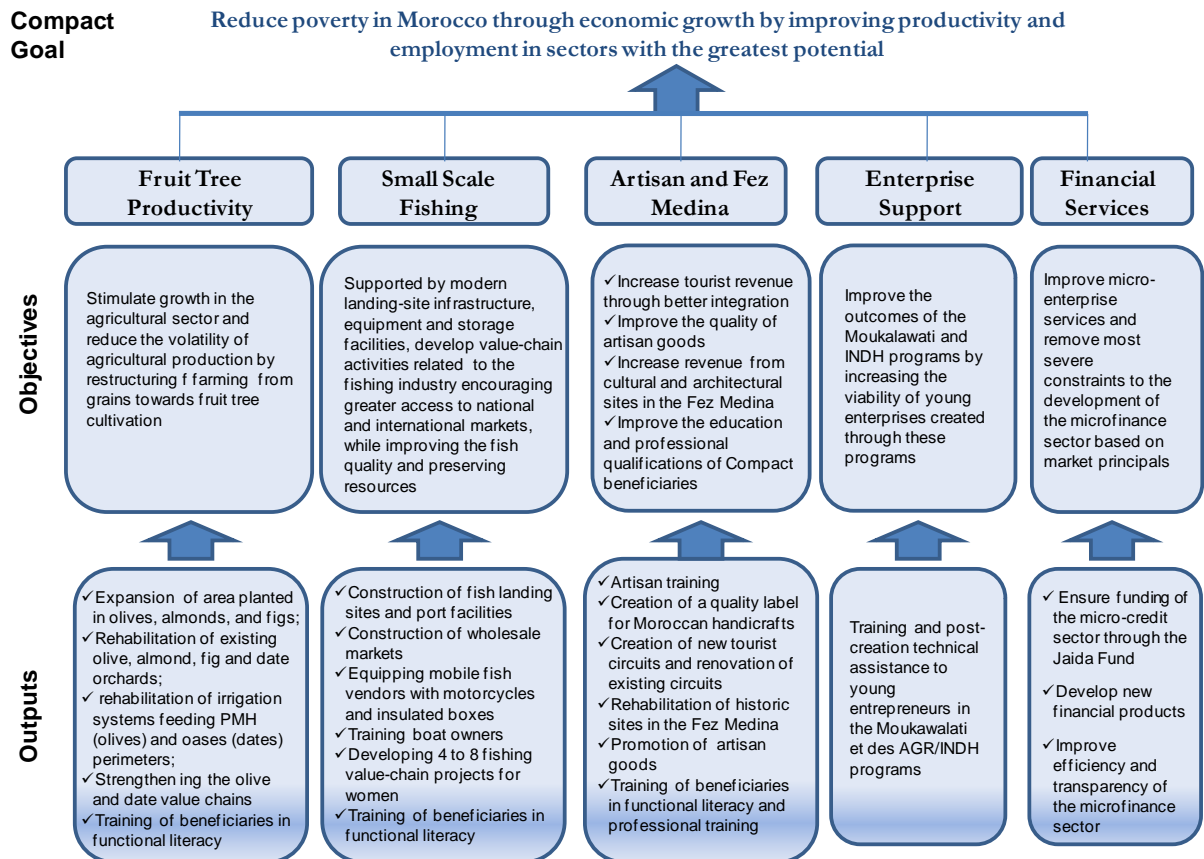
The Enterprise Support project has two priorities: to reduce high unemployment among young graduates and to encourage an entrepreneurial culture. The project focuses on entrepreneurs in three government programs. Two ‘Moukawalati’ programs, one offered by the OFPPT and the other by the National Agency for the Promotion of Small and Medium Enterprises (ANPME), will be managed and assessed together. Another program, the Initiative for the Human Development (INDH) for the support of organizations engaged in income generating activities (AGR), will be managed separately. These programs will be implemented as pilots providing post-enterprise-creation support through technical assistance and training. The project will include cross-cutting assistance to develop entrepreneurs’ human capital and prepare these institutions (OFPPT, ANPME and INDH) to provide a better support to entrepreneurs and AGRs.

An impact evaluation of the training and technical assistance on new enterprises is being implemented and will measure separately the impact for Moukawalati project entrepreneurs (OFPPT and ANPME) and INDH AGRs. If the results of the pilot are successful, the project will be expanded to cover more enterprises. In addition to the pilot activities, OFPPT, ANPME, and INDH staff will be trained to improve the pre-creation assistance they provide to entrepreneurs and AGRs.

2. Program Logic

The goal of the Morocco Compact is to reduce poverty through economic growth, and the MCC Compact Program intends to reach this goal by improving productivity and employment in sectors with the high potential for growth.

Logical Framework for the Morocco Compact



3. Economic Impact and Beneficiaries

3.1. Economic Impact

A cost-benefit analysis was conducted for all projects in the Morocco Compact to determine whether they were suitable for financing based on MCC's economic criteria. An economic rate of return (ERR) was calculated to measure the net benefits generated by the project (additional revenue to business and households less project costs), that is, additional benefits under project compared to a without-project counterfactual. Net benefits were projected over a medium to long-term horizon of 10-25 years, corresponding, more or less, to the life of the infrastructure or equipment to be put in place. An economic model in EXCEL spreadsheets is publicly available for each project.¹ The models were estimated with data available at the time and assumptions about the number of direct project beneficiaries, the distribution of benefits, and reactions of the beneficiaries (elasticities) to the economic opportunities provided by the project.

¹ See <http://www.mcc.gov/mcc/panda/activities/err/err-countries/err-morocco.shtml>

The base-case ERRs for the five Compact projects and component activities were at the time of Compact signing:

Projects	ERR
Fruit tree productivity :	
Rehabilitation of olive, almond and fig trees in rain-fed areas	26.7% (30 years)
Expansion of olive, almond and fig trees in rain-fed areas	19.3% (25 years)
Rehabilitation of olive trees in irrigated areas	17.3% (25 years)
Rehabilitation of date palms in oasis areas, including improved irrigation	18.7% (25 years)
Small Scale Fisheries :	
Construction of PDAs	28.6% (20years)
Provision of infrastructure for small-scale fishing	83.5% (20 years)
Construction of wholesale markets	43% (20 years)
Support for mobile fish vendors	32.2% (10 years)
Artisan and Fez Medina	21.2% (15 years)
Financial Services	18% (10 years)
Enterprise Support	13.5% (10 years)

A sensitivity analysis of the ERR for each project was conducted varying the costs and the benefits by 20 percent compared to the base case. Two scenarios are presented in the table below:

- A pessimist scenario in which costs are increased 20 percent and benefits are reduced by 20 percent, and
- An optimistic scenario in which costs are reduced by 20% and benefits by 20 percent.

Projects	Scenario		
	Pessimistic – Costs \uparrow by 20% – Benefits \downarrow by 20%	Base	Optimistic – Costs \downarrow by 20% – Benefits \uparrow by 20%
Improving Fruit Tree Productivity			
Rehabilitation of olive, almond and fig trees in rain-fed areas	19.3%	26.7%	35.1%
Expansion of olive, almond and fig trees in rain-fed areas	Undetermined	12.5%	19.9%
Rehabilitation of olive trees in irrigated areas	Undetermined	17.5%	39%
Rehabilitation of date palms in oasis areas, including improved irrigation	Undetermined	21.6%	48%
Small Scale Fisheries :			
Construction of PDAs	13.8%	28.6%	50.0%
Improved port facilities	55.4%	83.5%	125.3%
Construction of wholesale markets	35.2%	43%	54.6%
Support of mobile fish vendors	18.1%	32.2%	52.6%
Artisan and Fez Medina	6.0%	11%	16.7%
Financial Services	10.4%	18%	26.5%
Enterprise Support	2.4%	13.5%	29.4%

All projects remain economically viable, with the exception of Enterprise Support, even if costs are increased by 20 percent and benefits reduced by 20 percent.

For the specific case of Literacy and Vocational training, the ERRs developed by the APP have not yet been validated by MCC.

The main assumptions of economic analysis in terms of expected outcomes and benefits will be monitored throughout program implementation by tracking related indicators.

3.2. Beneficiaries

3.2.1. Fruit Tree Productivity Project

The Fruit Tree Productivity Project affects three intervention areas: rain-fed areas located on slopes; irrigated piedmont areas (with small and medium-sized irrigation systems); and oasis areas.

After rescoping, targeted **rain-fed areas** are located primarily in pre-Rif provinces and those found north and west of the Middle and High Atlas mountains: 229 rural communes in 17 provinces have been selected (Taounate, Taza, Fes, SidiKacem, Chefchaouen, Tétouan, Larache, AlHoceima, Taourirt, Berkane, Jerada, Sefrou, Khénifra, Azilal, Haouz, Chichaoua et Essaouira).

Project intervention perimeters (land areas) where fruit tree planting is to be expanded are based on a number of criteria – principally, the potential for development (slope, climate, soil,...), the location of the mountainous areas, whether they are currently planted in grain, and whether they are under a private landholding regime.

Rural communities close to the extension program will receive priority for fruit-tree rehabilitation to achieve the maximum synergy between the two activities.

After re-scoping, the project will directly serve some 61,007 farmers (of which 34,344 will receive extension assistance and 26,663 rehabilitation assistance.) The population includes some 380,000 inhabitants. Beneficiaries were estimated based on area and type of holding for the rural communes included in the project.

Based on available water resources, the irrigated fruit-tree areas include 65 perimeters in 67 rural communes from 16 Provinces in the Middle and High Atlas Mountains (Taounate, Taza, Figuig, Oujda-Angad, Taourirt, Berkane, Boulemene, Khénifra, Sefrou, Azilal, BeniMellal, AlHaouz, Chichaoua, Essaouira, Errachidia and Tata).

These perimeters were selected according to the following criteria:

- Current fruit tree cultivation, that should include the targeted species;
- Beneficiary interest and need;
- Overly costly collective irrigation infrastructure;
- Water user's associations (WUA) to manage the irrigation works.

The program would directly benefit 33,983 farmers out of a population of 155,000.

The **oasis areas** are located in the Ziz and Draa alluvial valleys in the provinces of Ouarzazate, Zagora, Tata and Errachidia.

The intervention perimeters were selected according to the following criteria:

- Potential for productive date palm cultivation;
- Likelihood for the rational use of available water resources ;
- Current involvement in the date palm sector;

There are an estimated 16,534 beneficiaries in the oasis project areas out of a population of 181,500.

The project will benefit the entire working population on the farms in question, women as well as men. In the targeted sectors, women take part in many activities, in particular harvesting and processing. Youth will also benefit from the project through the employment opportunities created by expanded farm activities and business development.

The creation of producers' associations and/or WUAs will mobilize local energies, reinforcing organizational talent and initiative.

Participation in the project is voluntary and requires the consent of land owners in the targeted perimeters. Beneficiaries have to be organized in a cooperative, association or other form of organization and are involved in all stages of project implementation.

3.2.2. Small Scale Fisheries Project

The beneficiaries of the Small-scale Fisheries Project are generally located along the coastal artisanal fishing network for the three project activities.

Direct beneficiaries fall into two main categories: small scale fishermen (professional fishermen working on small boats) and mobile fish vendors. Others in the fishing industry are also beneficiaries. For example, retailers sourcing from wholesale markets and selling on retail markets will become more competitive, operate more transparently and manage more professionally. Consumers will be better served having access to fresher fish products.

– Small scale fishermen and PDAs

The project targets all small scale fishermen operating in 11 PDAs proposed for development, a population of 3,944² fishermen working on 986 boats. Furthermore, at 10 ports, some 2,724 boats manned by 10,896³ fishermen would benefit from the new infrastructure supporting small scale fishing.

Fishermen in Morocco are largely men due to tradition and the community's social structure. It is rare to see women help men in fishing activities except in certain area such as Moulay Bousselham, where women gather clams, and in the El Jadida region, where women collect algae and sea urchins.

The fishing community has a high illiteracy rate, particularly among the older fishermen. Young fishermen usually have a primary school or basic education.

A fishermen's organization exists at each site, most often represented by the 'dean' of the fishermen. In addition to this traditional type of organization, artisan fishermen's associations and fishermen's cooperatives have been created to take advantage of economic incentives for fishing boats provided under current Moroccan legislation.

– Mobile fish vendors

Mobile fish vendors generally use old motorcycles to transport fish using wooden boxes fixed on the back that have a maximum load capacity of four crates. Daily sales of mobile fish vendors averaged around 690 MAD in Casablanca and 1,000 MAD in Agadir in 2007

² This number of beneficiaries is calculated on the basis of the number of boats in the 11 PDA that remain in the project and an average number of 4 fishermen per boat.

³ This number of beneficiaries is calculated on the basis of the number of boats in the 10 ports that remain in the project and an average number of 4 fishermen per boat.

On average 40 years of age, these vendors generally belong to the informal economy, use obsolete equipment (their motorcycles), and earn little. With proper supervision and better equipment, mobile fish vendors could improve their income and escape the current cycle of insecurity and poverty that characterizes their lives. As of today, 150 mobile fish vendors have been equipped with three-wheeled, heavy-duty motorbikes equipped with insulated ice chests in the region of Oujda, through an MCC subsidy of 30%, plus 15% from beneficiaries and 55% from INDH.

3.2.3. Artisan and Fez Medina Project

i. Artisan production

This activity will help potters at pottery sites in the Fez region and in Marrakech. The project will train 2,267⁴ handicraft workers and master artisans. In addition, it will fund a portion of the cost of cleaner kilns for as many as 144 artisans.

Handicraft workers earned an average of \$1,414 annually in 2007 about 40 percent below the urban poverty line of \$2,363. Incomes of master artisans, owners of workshops and employers of handicraft workers vary tremendously. While some master artisans have developed prosperous enterprises and produce high quality ceramics for export or the tourist market, the majority produce poor quality objects sold in local markets generating little profit. On average, master artisans targeted by the project earned about \$6,700 annually.

ii. Fez Medina and the promotion of handicrafts

Fez is the fourth largest city in Morocco with a population of over one million. The poverty rate in the region is 14.5 percent. But in the Medina, the poverty rate reaches around 30 percent. For decades, the Medina has been in a state of physical degradation, exacerbated by migration from rural areas after recurring droughts over the past 10 to 15 years that have impoverished the population. This has been compounded by the flight of the middle class and investors, the abandonment of property, falling property values and the deterioration of public spaces and services.

The rehabilitation of the Foundouks and Place Lalla Ydouna, as well as the promotion of these sites, will create a unique opportunity to transform the Medina, reduce poverty and stimulate the primary Medina activities – tourism and artisan production. The promotion of Moroccan crafts and the related national artisan label will both support and take advantage of the tourism-related compact activities in Fez and Marrakech.

Increases in tourism could create several indirect advantages for the Medina poor, including access to international markets that would benefit poor Fez artisans, as well as entrepreneurs and micro-enterprises, which, in Fez include a large percentage of artisans. In addition, tax collection would increase, assisting government to improve public access and the maintenance of public services.

3.2.4. Literacy and Vocational training activity:

⁴ The consultant of contract AFM1 has identified 2267 handicraft workers for training.

The ultimate goal of the Functional Literacy and Vocational Training Activity, valued at \$32.8 million, is to improve the revenues of artisans, fishers, and farmers through the reinforcement of their basic skills and professional qualifications.

i. Functional Literacy:

This sub-activity is intended to reinforce functional literacy, as well as introducing additional practical and employable skills into the literacy curriculum. These innovations will permit the 69,000 beneficiaries from the handicraft, agriculture, and small-scale fisheries sectors to improve their income and employment. Bolstering the basic capacities and professional qualifications of the beneficiary populations will further increase the chances of success of the other Compact Projects touched by this sub-Activity.

ii. Vocational Training:

Developed in cooperation with the Secretariat of State for Artisan Affairs (SECA), and targeting some 23,500 male and female artisans in the traditional handicraft sector, this second sub-Activity will put in place a standardized training system following the Competency Based Approach. Through in-service training, practicing artisans will benefit from the development of their artistic expertise and entrepreneurial skills, while youths will benefit from training-in-residence and apprenticeship programs to develop their manual skills and their entrepreneurial know-how.

iii. Competitive Skills Development Program:

The third sub-Activity will support the previous two components through innovative initiatives to be proposed by external entities – whether from the private sector, civil society, or even the public sector. These projects will be financed by a competitive, transparent grants system, and will aim to support the Functional Literacy and Vocational Training systems by making them more attractive and accessible to socially or geographically marginalized groups within the beneficiary populations.

APP will implement this activity in close cooperation with several partners: the three relevant government departments, UNESCO, the Department for combating Illiteracy, civil society, etc.

The Ministry of Agriculture and Maritime Fisheries and SECA are the Implementing Entities for this Activity, and are responsible for its successful execution.

3.2.5. Enterprise Support

During the pilot phase of the project that is currently underway, about 600 enterprises are receiving training and technical assistance. Around 400 are very small enterprises started under the Moukawalati program (OFPPT and ANPME), and 200 are groups operating in Income Generating Activities (AGR) created by the INDH program that provided them with grants of 70% of their initial investment (AGR/INDH).

This pilot phase is subject to an impact evaluation study. If the results show that this activity is economically profitable based on an ERR analysis, the project may be extended to a larger number of enterprises and AGRs during the remaining time of the Compact.

The profiles of the Moukawalati entrepreneurs and INDH beneficiaries are different. The Moukawalati entrepreneurs are graduates who have received credits of maximum 250,000 MAD from banks that have endorsed their business plans. These entrepreneurs are generally young and live in urban areas. The INDH beneficiaries live in 150 urban neighborhoods of 25 cities and in 385 communities with poverty rates of over 30 percent. A selection committee identifies which groups receive grants.

3.2.6. Financial Services

Clients of Moroccan micro-credit associations (small borrowers and micro-enterprises) are the primary beneficiaries of the Financial Services Project. The impact of the project is expected to increase the number of loans made to microcredit clients above and beyond what would have been made without the project. In addition, should new investments result from better services enhancing the effectiveness of micro-credit associations, customers would benefit from better quality financial services and reduced borrowing costs resulting from more efficiently managed micro-credit institutions.

There is no exact estimate of the number of customers who will benefit from the project, as this depends, in part, on the overall growth of micro-credit demand and on the amount of micro-credit that would be sought without the project -- which cannot be directly or indirectly observed. Today, the microfinance sector is going through a serious crisis and is currently serving around 869,000 clients compared to 1,282,000 clients in 2007. The target for the fifth year of the Compact is 1,139,081 clients in the case of a pessimistic scenario of an incremental increase in clients of a quarter of a percentage point per year resulting from the project, versus an initial target of 1,762,000. This target is 1,162,486 clients in the case of a scenario of 1% annual growth rate, which is far below the initial target of 1,810,000.

4. Risks, Assumptions, and Risk Mitigation

The economic analysis conducted by MCC is based on behavioral assumptions about how program activities will translate into medium- and long-term goals and objectives. Internal and external risks in implementation also may be reflected in risks that the assumptions underlying the economic analysis will not be met.

Risks analysis should not focus solely on implementation risks (costs and delays) but should deal with the risks of not achieving project results in terms of outcomes, objectives and goals.

Risk mitigation measures can be developed to manage this potentiality.

The most important risks related to each Compact project, and suggestions to means to manage those risks, are presented below.

4.1. Risks in common for all the MCA-Morocco Projects

A number of risks common to all MCA-Morocco projects could compromise Compact objectives.

i. Dollar depreciation

The exchange rate supporting the Compact is 1USD = 8.5 MAD, which was the average exchange rate for the 12 months preceding Compact signature. Although the exchange rate has fluctuated substantially over the Compact period, it has remained sustainably below 8.5 since Entry into Force. Hence, the global Compact budget has been significantly affected by depreciation. Unless the dollar regains its lost purchasing power, two alternatives are possible: either the Moroccan government makes up the exchange-rate loss to complete the Compact Program, or some projects will have to be restructured.

ii. Input price increases

On the basis of contracts signed to date, costs above amounts initially budgeted pose a risk.

In the case of Fruit Tree Productivity Project, the initial cost estimate for planting olive trees was 8,400 MAD per hectare. Yet, the pilot phase contract cost 14,000 MAD per hectare, and the Tranche 1 contract cost 20,000 MAD per hectare. To mitigate this risk, the project was rescope and the area to be planted was reduced from 120,000 ha to 62,000 Ha. Besides, technical specifications for new plantation were reviewed to keep costs around 13,000 DH per hectare.

The Small Scale Fishery Project is subject to the same risk and would not be able finance the construction of 39 sites. This risk is now under control, however, since for technical reasons, the number of sites has been reduced from 39 to 27.

This risk is better controlled for Fez Medina since this activity's budget was significantly increased and the size of the project significantly decreased after rescope.

For the other projects, this risk might be mitigated if the following steps are taken: (i) clearly define technical specifications to assure the efficient use of resources, (ii) take steps to interest as many potential contractors as possible to encourage competition and reduce offered prices, and (iii) split contracts among a number of firms to reduce costs.

iii. Projects on a critical path:

The MCA-Morocco Compact is the second largest signed by MCC. The size and complexity of the Program makes completion in five years a challenge. Besides, the CIF period was not used efficiently to put projects team in place and launch the environmental, social and technical studies needed prior to construction or rehabilitation. Most projects are now on a critical path and could risk completion within the five-year Compact period if critical tasks are delayed.

Risk mitigation measures should be integrated into project work plans and their implementation should be carefully monitored. Best-practice project management is essential by monitoring progress. This would include improving work-plans design as a steering tool on a daily basis, regular and careful reporting (weekly or bi-weekly) and scheduled project-team meetings to

identify and explain deviations from target, and taking corrective actions as needed. Staff must be used efficiently and should be individually held responsible for results. Contracts should be better managed to avoid unnoticed delays, and deliverables should be examined and accepted within the contractual deadlines. In addition, as procurement is time consuming, frequently taking more time than planned, procurement processes also should be carefully managed, and their resources better staffed.

iv. Delays in deliverables by contractors:

Delays by contractors could stem from a lack of respect for contractual deadlines or low-quality deliverables that would need additional work to meet the quality requirements outlined in the TORs. To mitigate these risks, project teams should have qualified staff able to evaluate deliverables and work closely with contractors to detect any delays in advance. Regular meetings should be instituted to assess the likelihood of deviations from schedule, identifying and implementing solutions in a timely manner.

4.2. Fruit Tree Productivity Project:

This section analyzes underlying assumptions and critical conditions that must be met if the Fruit Tree Productivity Project is to meet its objectives. As such, it identifies project risks and suggests risk mitigation measures.

Weak beneficiary compliance: This risk is related to the extension of olive, almond, figs and date trees in rain-fed zones and the intensification of existing cultivation in all areas. One reason that farmers may refuse to participate in the extension program is that they believe their income would diminish for two years after planting. Furthermore, farmers primarily dependent on livestock may resist planting trees because it limits access to grazing for cattle.

Another factor affecting the farmers' adhesion to new planting is the cereal price policy implemented by MAPM. This reference price for soft wheat has been set at 260 DH before 2007, and is now set 280 DH/Quintal. Increasing the reference price of soft wheat reduce the relative price of olives with respect to wheat and make the conversion to olive trees less obvious. Mitigation for this risk is beyond the scope of MCA-Morocco and necessitates a reform of the agricultural policy to allow for optimal allocation of land resources.

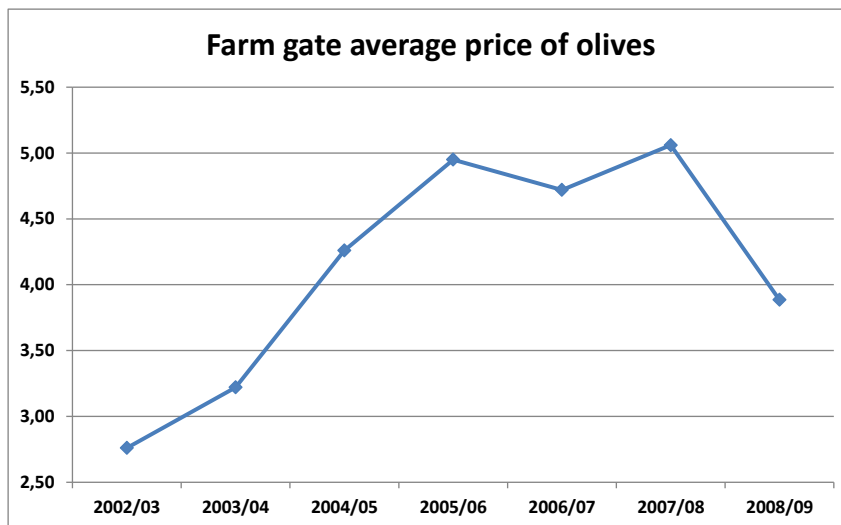
For rehabilitation, the project is offering training and technical assistance, which might be considered by farmers as an insufficient incentive if one takes into consideration the costs incurred to adopt new techniques (pesticides, fertilizers, soil works, pruning equipment, ...etc.) and the decreased yields in the short run due to tree pruning. Poor compliance is a risk of this activity as it is likely that farmers might not adopt the techniques proposed by the project and in this case.

The strategy for risk mitigation includes the roll-out of a participatory approach based on lessons learned by the Ministry of Agriculture and Maritime Fisheries (MAMF) in this field. Emphasis should be placed on sensitizing and involving the farmers' professional organizations in all stages of the project design and implementation, including the identification of the agricultural perimeters, feasibility and conceptual studies, conflict and problem resolution, and sustainable achievement.

Unfavorable weather conditions (drought, rainstorms, floods, chergui⁵....) can have negative effects on the success of planting activities, while floods can actually change soil and ground conditions. Planting activities are limited to the wet season; any delay in launching these activities could result in serious delays in the project. During the last season, contractors could not access perimeters because of floods and muddy soils unfavorable for planting works.

Mitigation measures need to focus on the anticipation of weather risks by implementing pre-planting activities during dry periods, planting seedlings during wet periods, and stipulating that infrastructure contractors must include plans for weather risk-management.

The graph N°1 shows **that Farm gate prices** of olives vary drastically from one season to another and even within one season depending on the level of production, which depends on the climatic conditions. Average prices were around 5.06 DH/Kg during the 2007-08 season and fell to 3.88 DH/Kg during the 2008-09 season. Price variability would likely increase further with MCC and MAPM funded new planting. Early this season, prices were below 3 DH/Kg due to remaining olive-oil stocks from last season but started increasing slightly during the last weeks.



This price variability affects negatively the rationale for replacing cereals with olive trees to stabilize farmers' income. To alleviate the impact of price variability on farmers, the project should make sure that technical assistance results in a significant increase of productivity at the farm level, along with efforts to find new niches, especially in export markets. Processing units and downstream operators in the chain should improve the

quality of their products and differentiate it to gain more value added. The role of TC5-A contractor is crucial to this end. The project and the contractor of TC5-A should be actively involved in the oversight of the two studies undertaken by the M&E direction on the value chain for olives, dates, almonds and figs so that the results be useful to improve the way technical assistance is provided to operators of the chain.

4.3. Small Scale Fisheries Project:

The main risk to this project is the quality and the timeliness of the deliverables of the technical assistance in charge of all technical, social and environmental studies. The low quality of these deliverables has been very detrimental to the project, but negotiations between the contractor and the project team, sometimes involving APP's top management, has resulted in a set of measures aimed at improving the performance of this contractor. The reduction of the number of sites from

⁵ A dry and hot wind that comes from the east of Morocco in the summer season

39 to 27 will presumably loosen the pressure on resources. However, this risk still weighs on the project in the future, and this contract has to be managed forcefully and rigorously to make sure that further delays are avoided.

Another risk to launching infrastructure works is the mobilization of land for some PDA sites and wholesale markets which have not yet been made available. For these sites, land belongs to the public maritime or forestry domains. Procedures to allocate land to the project on these sites are slow, which might delay the launching of the infrastructure. Top management at ONP and the Minister of Agriculture and Maritime Fishery are closely involved in expediting this process with the relevant authorities.

4.4. Artisan and Fez Medina Project

i. Artisan Production Activity:

The main risk for the Artisan Production Activity is whether master artisans would follow through with the purchase of gas kilns. The 20-percent grant brought by the project in addition to another 40 percent from the FNE⁶ might not be sufficient to entice the majority of artisans to buy the gas kiln. This latter's cost varies from 200,000 and 300,000 MAD in addition to 50,000 MAD for kiln installation that is not covered by the project's grant, and make it unaffordable for the majority of artisans even subsidized at 60 percent.

One way to mitigate this risk is to figure out how local gas kilns, which are more affordable than imported kilns, can comply with technical, social and environmental requirements and take measures to certify these kilns in accordance with MCC requirements. These local kilns are currently widely used by artisans. The cost of a Moroccan kiln is less the 40% artisan contribution to the cost of imported ones.

In parallel, efforts should be made to help master artisans access other sources of funding, including bank loans.

Even if the 40-percent contribution is affordable for the potters, conditions required by FNE may still be a constraint. That is, artisans must be licensed and have to finance at least a part of the 40-percent personal contribution through a bank loan to be eligible for the FODEP subsidy. Most master artisans operate in the unlicensed, informal sector and access to bank financing is difficult. This risk could be mitigated if FODEP procedures were eased. A commission is currently examining this issue, and its findings will be known shortly.

An additional risk lies in whether or not the 2,267 artisans can be mobilized and their participation maintained in the training program. This risk could be reduced through ongoing communication with the artisans, explaining project objectives and the content of different training modules. Such arguments should be convincing to the beneficiaries, of course. Regional delegations as well as elected representatives and local authorities play a key role in such communication as they have daily contact with the artisans.

⁶National Environment Fund (Fonds National de l'Environnement), previously Industrial Clean-up Fund (Fonds de Dépollution Industrielle or FODEP)

The main risk for the Promotion activity is that the strategy proposed by the AFM3-B contractor may cost more than the Compact implementation has budgeted. The project team needs to monitor AFM3-B closely and request an estimate for the proposed promotion campaign to make sure that it is within budget. The technical specifications for the promotion campaign then should be made clear to bidders in order to ensure that financial offers are affordable.

ii. Fez Medina Activity:

The project has been subject to serious delays which has necessitated a consolidation of the work plan such that there is no longer much margin for further delays.

There is a risk that some critical tasks could be delayed so that the project could not be completed before the end of the Compact. This could be caused by the failure of a contract, delays in the finalization of the RAPs or the bid documents for works in Ain Nokbi, the foundouks and PLY, the commencement of works in these sites, or in the completion of the PLY architectural design competition. To mitigate this risk, the workplan has to be used as a steering tool for this activity and any deviation should be spotted immediately and appropriate solutions taken. Procurement must be managed efficiently. Contracts have to be advertised widely to ensure a large number of bidders so that procurements do not fail.

Delays in RAP development and/or implementation or in the expropriation of property at PLY would be prejudicial to the activity. To mitigate this risk, MCC and APP have mobilized significant technical support resources to work with the AFM-7B consultant to ensure that work is completed on time. The Fez Steering Committee has formed a subcommittee to provide institutional support and guidance from the GOM. The UGP has engaged a new social specialist as well as a lawyer specializing in expropriation to provide day-to-day management and oversight of these procedures.

Another risk for this activity is whether or not the population affected by resettlement will accept resettlement plans. Resettlement activities may take longer than anticipated, given their complexity and the lack of national expertise in this area. The identification of affected parties is particularly complicated in the case of PLY because of the multitude and diversity of stakeholders (owners, inheritors, renters who might not be necessarily the artisans currently in operation), as well as the economic links between those who are physically present in PLY and those with whom they do business. Resettlement risk is complicated further because of Operational Policy 4.12, which stipulates that earlier resettlement on project sites, such as previous resettlement from Place Lalla Ydouna to Ain Nokbi by the local authorities, ought to be audited to make sure they comply by the requirements of this policy.

The status of land ownership is related to resettlement and could cause delays for certain foundouks and Place Lalla Ydounna. Resolution of the ownership situation should take place as soon as possible in the context of resettlement. The contractor of AFM7-B⁷ needs to be closely monitored and supervised to ensure a high quality resettlement action plan for all the affected sites. Stakeholders need to be actively involved and their awareness raised through a careful and expeditious communications strategy. In this regard, the APP Environment Department hired an

⁷ Preparation of feasibility studies, designs, Environmental and social Assessment and implementation oversight for the Fez Medina Activity.

international resettlement expert to assist ADER, the ONP and the implementing entities involved in resettlement.

4.5. Functional Literacy (FL) and Professional Training (VT) activity

As with any education program, dropout remains a risk. The FL curriculum is expected to last between 15 and 18 months, and the VT residential and apprenticeship programs between one and two years – a duration that will require a significant time commitment from beneficiaries. In order to ensure a high retention rate in this sub-Activity, APP is taking a number of mitigation measures:

- In each FL cycle’s calendar, APP has included a number of breaks, which will allow beneficiaries to meet family obligations during holiday times, and work longer hours during harvest times without leaving the program.
- For FL Sub-Activity, the creation of a nationally recognized certification system will make graduation more attractive for program participants.
- For both the FL and VT sub-Activities, the Communications Strategy consultants will develop communications plans to encourage enrollment and make the programs more attractive, particularly to youths. These communication strategies, to be implemented by the Program Management Consultant (AFM-30), are expected to improve enrollment and retention.
- Finally, APP is evaluating the feasibility of creating employment insertion programs, facilitated access to microcredit, partnerships with local businesses, and other professional opportunities for FL and VT graduates to provide them increased incentive to remain with the program, and to increase their employment success rates after graduation.

A risk for the success of the VT sub-Activity is that the 15 artisan VT centers to be considered for equipment upgrades under the AFM-35 procurement may not meet the eligibility requirements set by MCC. To mitigate this risk, APP and SECA organized a series of trainings for VT center personnel. At these trainings, APP presented the eligibility conditions to the training center management and assisted them in developing strategic management plans and preparing then to meet facility, human resource, and financial resource requirements.

APP is conscious of two other factors which present a risk to the VT sub-Activity. First, the location of a small number artisan VT centers may not be able to attract a sufficient number of participants either because the center is in an area with few artisans and little traditional artisan activity or is in proximity to another training center (such as those run by OFPPT). To mitigate this risk, APP is encouraging training centers to explore innovative partnerships with local Chambers of Artisans and private entrepreneurs making SECA training more attractive to potential candidates.

A second risk is the low capacity of artisan VT trainers who will be required to follow the Competency Based Approach (*Approche par Compétences*, APC) programs. The APC methodology requires high skills and a diverse group of facilitators. Where necessary, SECA will recruit individual contractors through medium-term or long-term contracts to fill gaps in its faculty and boost its human resource pool.

4.6. Enterprise Support Project

The Enterprise Support Project begins with a pilot phase, which includes an impact evaluation to determine whether the full project should be extended to more enterprises and AGRs. The project will only be expanded if it significantly improves the survival rate and incomes of the pilot enterprises.

The most important risk is that the impact evaluation concludes that the impact is not significant. APP and UGPs have to oversee, monitor and manage closely the contract ES-2 to have increase chances of success.

The baseline survey, which has been in progress since October, showed that a significant number of entrepreneurs were not enthusiastic about the project. A mobilization of guichet personnel and officers from OFPPT and ANPME was necessary to sensitize entrepreneurs on the benefits of the project to achieve an acceptable rate of response for the baseline survey. At the end, 389 entrepreneurs are benefiting from the project instead of the 400 initially planned.

A serious risk is the possibility that some entrepreneurs drop out of the project. To reduce this risk, training should be tailored to the needs of the entrepreneurs and theoretical topics should be avoided as much as possible. Trainers need to provide quality services and the executing entities need to focus on on-the-ground supervision. Beneficiary ‘success stories’ can be found and should be communicated to current participants to entice them to continue with the project.

In the longer run, there is a risk that too few Moukawalati or AGR projects will be approved and that the delay in the start of the pilot may shorten the time for a potential project participants to take advantage of post-creation training and technical assistance. A mitigant to this risk might be to open project eligibility to entrepreneurs outside of those created within Moukawalati and to AGRs created by programs outside of INDH.

As the delay in the pilot has shortened the expansion phase, one way to gain time for expansion would be to assess the success of the project at the 187th month of ES-2. The Direction of M&E will use follow-up survey data to determine whether the findings are significantly conclusive to justify an expansion of the project 6 months before the end of the pilot.

4.7. Financial Services Project

If the current microfinance-credit crisis continues, credit defaults could increase and demand decline. If this risk is not overcome, the project’s objective to increase the number of beneficiaries of microcredit would be compromised. To mitigate this risk, the Government and the micro-credit associations (AMC) need to promote good governance in the sector, improve access to information on microfinance borrowers and repayment performance, ensure that information on cross-indebtedness is available, and implement preventive measures to set ceilings on indebtedness. The Management Information System activity should facilitate the adoption of most of these measures by allowing more AMCs to use the Central Bank’s credit bureau.

The adoption of new regulations to provide AMCs better access to financial markets and enable them to diversify their products could be delayed in the legislative process. APP needs to take advantage of the Strategic Steering Committee meetings to raise the Government's awareness about the need to accelerate the adoption of new regulations. AMCs should lobby the relevant authorities to achieve this objective.

Another risk is whether the demand for credit in areas targeted for mobile microcredit branches is strong enough to justify the project. A thorough analysis to select appropriate target zones and a strong communications campaign should mitigate this risk.

III. MONITORING

The M&E Plan includes a monitoring component to measure Program results based on objective, verifiable indicators related to the logical framework for each of the projects. These indicators are associated with the project goals, objectives, outcomes and outputs. Each indicator is associated with a baseline and a target value by the end of the Compact.

Monitoring indicators track Program performance during the life of the Program and insure that objectives and expected economic gains will be achieved through implementation to meet the Program goals.

M&E indicators for each of the projects are developed in concert with the implementing entities and with input from MCC project experts. The M&E Plan is revised annually to take into account project re-scoping and the realignment of indicators and/or targets.

1. Indicators

The results of the Program will be measured over the five years of the Compact using performance indicators. Annexes I – VI present short-, medium- and long-term indicators for the five Compact projects, including baseline and target values.

The logical framework matrixes harmonize monitoring activities with project implementation. They are composed of two parts. One table presents the definition, data source or provider of data, and frequency of measurement for each indicator. A second table reports the baseline and annual target values for each indicator over the duration of the Compact. The target values for many indicators conform to the economic analysis for the project.

All indicators are reviewed at the end of each year, in concert with the implementing entities that oversee the executing entities, to update and adapt the indicators to reflect project progress and the realities of execution on the ground.

Common indicators have been introduced that meet the requirements of the MCC Policy for Monitoring and Evaluation of Compacts and Threshold Programs⁸. Common indicators are used by MCC to measure progress across Compacts within certain sectors. They allow MCC to aggregate

⁸ See <http://www.mcc.gov/mcc/bm.doc/policy-051209-mande.pdf>

results across countries and report externally to key stakeholders. Common indicators may be specified at all indicator levels (process milestone, output, outcome, objective, and goal). Usually they will be in sectors where MCC is investing significant resources.

Common indicators have been developed for irrigation, functional literacy and vocational training, and financial services activities. These indicators are included in the logical matrixes for the Fruit Tree Productivity Project, the Functional Literacy and Vocational Training activity and the Financial Services Project.

i. Baselines and targets

Each indicator that is part of the logical framework is associated with a baseline value and a series of annual and/or final end-of-Compact targets. Most baseline and target values stem from the economic analysis supplemented by the workplans of the executing entities. But, baseline and target values of certain indicators may be determined in other ways, depending upon available information. The baselines for the Fruit Tree Productivity Project, the Small Scale Fishing Project, the Artisan and Fez Medina Project are provisional as they still rely on information available at the time of the economic analysis. Statistically valid values will be established through contracted surveys, which will be fielded starting Year 2 of the Compact. Other indicators that are not part of the logical framework are included to report issues of significant interest for the project. These include indicators on gender, in particular, and other indicators which may be added over time.

ii. Data Sources

Baseline values and annual targets of indicators that were part of the economic analysis, including that undertaken for re-structuring, are taken directly from that analysis. In the case of indicators not directly included in the economic analysis, baseline values are derived from the analysis of available data or on expert advice. Data sources may come from official statistics or specific socio-economic surveys.

iii. Frequency of Data Collection

The logical frameworks indicate the frequency of data collection for each indicator and the targets corresponding to each reporting period. In most cases, monitoring data are collected by the implementing entities according to a predetermined schedule and are validated in concert with these entities and the MCC. When collection is quarterly, data will be available in the quarter after the one in which they are produced.

Data collection frequency depends on the data in question. Goals are often measured only at the beginning (baseline) and end of the Compact. Other indicators, such as those tied to agricultural activities, or those produced by other organisms such as the Ministry of Tourism or the National Federation of Microcredit Associations, may be measured annually and reported when they become available.

Gender Assessments

Wherever pertinent, data will be collected to allow for disaggregation by gender, age, and income. “Pertinent” refers to instances in which gender, age, and income differences in activity participation are foreseen, or when there is a reasonable expectation that such differences might prevail. In particular, all baseline surveys will include information on these variables, offering researchers the opportunity to conduct disaggregated analysis. In terms of reporting indicators, gender, age, and income do not necessarily require *a priori* targets if these are not part of the project or activity’s logical framework analysis.

With respect to projects where women are the sole participants (e.g. the Pilot Projects), reporting data will identify that these projects as consisting of solely of women with indicators disaggregated by relevant categories (e.g. age and income). Benefits accruing to women through the pilot projects may be assessed in terms of skills and income generated and economic profitability. Constraints to women’s participation based on reporting indicators and to business viability and profitability related to the pilot projects are to be assessed further using quantitative and qualitative methods.

iv. Monitoring and Evaluation Reports

Quarterly monitoring reports will use an Indicator Tracking Table (ITT). This monitoring table records the value of each indicator for the current period and its percentage deviation compared to its target value.

In addition, a narrative report is submitted with the ITT that will include an explanation of the deviation if it is greater than 10 percent. The table also reports the value of the indicator in the previous quarter. Annual target values remain in the table until the end of the Compact, unless re-scoping is undertaken and the M&E Plan is revised for that purpose. The format of the monitoring table is found in Annex VIII.

The ITT and the narrative report are parts of the disbursement request package and must be submitted to MCC four times a year. The exact submission dates ultimately rest with MCC.

The monitoring transmission schedule is:

Collection Frequency	Collection Period	Submission to MCC
Quarterly indicators		
Quarter-1	October 1 st to December 31 st	December 10 th
Quarter-2	January 1 st to March 31 th	March 10 th
Quarter-3	April 1 st to June 30 th	June 10 th
Quarter-4	July 1 st to September 30 th	September 10 th
Annual indicators	October 1 st to September 30 th	September 10 th

2. Data Quality Review

To ensure objectivity and viability of data measuring program performance, the Department of Monitoring and Evaluation (DME) has developed a strategy to evaluate the quality of data used in the M&E Plan. This strategy defines the responsibilities of project teams and implementing entities for data collection and information management. As M&E teams in different implementing entities provide essential data, the DME needs to be assured that the data collection procedures are viable and result in reliable indicator.

Risk management to ensure good data quality requires that the responsibilities for the collection of data are clear and transparent and that the M&E indicators are in line with the monitoring systems of the various executing entities responsible for different contracts. The DME has instituted an M&E training program for the staff of the various implementing entities' M&E units to facilitate this objective. Workshops were organized for different M&E teams to discuss M&E reports and provide feedback on reports related to the Compact projects. Instituting a viable information system also will facilitate data collection and distribution among the executing entities and the APP.

An in-depth data-quality review was conducted by an independent consulting firm iDEA. This study analyzed indicators and data collection methods for each project. The evaluation is based on criteria of validity, precision, viability and utility to determine data quality and arrive at practical recommendations to improve deficient data collection procedures. Meetings were also held with each project team. A final workshop was held in mid-December 2010 to present the first results of this review with the different M&E teams.

IV. EVALUATION

Evaluation studies provide a retrospective analysis of the results attained *vis a vis* expected results and assess whether these results are attributable to project interventions. The M&E Plan anticipates two types of evaluations: performance evaluations and impact evaluations. These will be conducted by independent, qualified investigators.

1. Performance evaluations:

The M&E Plan foresees several performance evaluations that will analyze the degree to which project activities have been achieved and the extent to which progress has been made compared to planned execution. If need be, these evaluations may result in corrective action. The objectives of these evaluations can be explicitly defined as:

- i.* Evaluate the efficacy and efficiency of project activities;
- ii.* Assess the relevance of the project in terms of its conformity with purpose of the project and the potential of the target area, its adequacy in fulfilling the strategic sector plans of the Government, as well as its response to the needs and expectations of the target population;
- iii.* Assess the coherence of the project in terms of how resources were mobilized to realize its objectives (internal coherence), the assignment of tasks among partners, the integration of work, and coordination with other programs and strategic objectives (external coherence).

- iv. Was the institutional and organizational structure favorable to coordination? Did all of the project partners fulfill their mandates?
- v. In a statistically valid manner, estimate quantitatively the relationship between the anticipated results (to the extent possible) and those attained. Are there measurable results/impacts at this stage of the Project?
- vi. Using appropriate analysis, including quantitative and qualitative methods, determine why expected results have, or have not, been attained ;
- vii. Using appropriate analysis, determine why expected results have, or have not, been attained ;
- viii. Identify positive and negative unintended consequences of the project;
- ix. Provide recommendations and lessons that can be used to mitigate problems identified by the evaluation.
- x. Assess the likelihood that project outcomes will be long-lasting.
- xi. Analyze the performance of the M&E system, its contribution to good management and provide recommendations for improvement.

The performance evaluations to be undertaken are:

1.1. Evaluation of the pilot communication campaign for the promotion of the PME's artisan products

Within the Artisan Product Promotion activity, a pilot communication campaign will be designed and implemented to promote exports to targeted countries for SMEs operating in the handicraft sector. The implementation of this pilot campaign will last around seven months. An evaluation study will evaluate its impacts with respect to a certain number of indicators, particularly sales of these SMEs in the targeted markets. The results of this evaluation will determine whether this campaign will be expanded both in time and to other export markets, and if so what improvement should be made to both its design and its implementation.

1.2. Evaluation of the pilot phase of mobile branches of microcredit in remote areas

The Financial Services Project will establish a fund to encourage AMCs to put in place mobile branches to serve microcredit beneficiaries in remote areas. This activity will be implemented through a pilot phase of one year period and 50 mobile microcredit branches will be financed through the fund dedicated to this activity. An evaluation of the performance of this activity in achieving its goals will be implemented to determine whether there is a need to expand it by contributing to financing another 50 mobile branches of microcredit through the remaining years of the Compact.

1.3. The mid-term evaluation

The mid-term evaluation is intended to result in changes in project implementation if it appears that the project has deviated from its objectives. The goal is to come out with recommendations to correct problems identified in the evaluation report so that project implementation during the remaining years improves, and delays are overcome.

This evaluation started the 1st of November 2010 through an independent consulting firm, IKESOL, selected by APP through a competitive bidding process. Its results are expected in March 2011

1.4. The final evaluation

This evaluation will focus on the same topics as the mid-term evaluation but will cover the life of the project.

2. Impact Evaluations

The approach taken to evaluating the impact of projects is based on the random assignment of eligible populations to a treatment group, which will benefit from the project, and a control group (or comparison group), which will not benefit from the project.⁹ The two groups are to be surveyed before (baseline), during and after the project implementation. This approach requires that an evaluation strategy be developed before project implementation begins. In addition, where impacts appear to be significantly lower than expected, or where projects were particularly successful, qualitative methods and process evaluation methods will be used selectively to complement quantitative methods, in order to effectively explain these outcomes (identifying e.g. social, cultural, technical, political, and economic explanations).

Two impact evaluations will be conducted by APP and a third may be funded directly by MCC:

2.1. Rehabilitation of olive trees in rain-fed areas

The goal of the impact evaluation of the olive-tree rehabilitation sub-activity is to assess the effectiveness of the technical assistance and training provided to farmers. Questions of particular interest for the evaluation are:

- What is the impact of the activity on farmers' incomes?
- Has olive output improved in quantity and value?
- Have new techniques been adopted by farmers?
- How good is the quality of the olive oil produced?
- Have farmers organizations played a role in the development of olive-oil value chain processing and marketing?
- Has the information provided by the project been adopted by farmers outside the treatment perimeters?

The ultimate goal of the program is to contribute to the reduction of poverty among rural households. But many problems are involved in trying to measure this goal. Income will be estimated by calculating agricultural net revenue, since, in Morocco, most income for farm households is derived from agriculture. The surveys used for the impact evaluation will collect

⁹ This is called an experimental design. Impact evaluations may also use a quasi-experimental design in which there is a treatment and comparison group which selected to mirror the treatment group as closely as possible. This is the case when

income from agriculture. The independent consulting firm, NORC, conducting the evaluation was selected by APP through a competitive bidding process.

2.2. The enterprise support pilot

The findings from the impact evaluation will provide the basis to assess whether post-creation training should be extended to additional entrepreneurs in the Moukawalati program and INDH AGRs. This study will determine whether young entrepreneurs benefiting from post creation support perform better compared to a control group in terms of (i) the survival rate of their firm two years after creation, (ii) sales, (iii) employment creation, (iv) investments, (v) access to finance, (iv) expanded client base, (v) and cost management. The independent consulting organization, IPA, conducting the evaluation was selected by APP through a competitive bidding process.

2.3. Vocational Training

A lack of sound data and studies about vocational training in Morocco resulted in the use of ‘guesstimates’ of the impact of training on employment and earnings for the initial ERR analysis. The lack of evidence on key assumptions motivated the development of a proposed impact evaluation, which then had to be cancelled due to delays in sub-activity implementation. Rescheduling meant that the impact of vocational training on participants could not be measured within the Compact funding period. Because of the importance of the evaluation for Morocco and other countries developing vocational education programs, discussions are underway with MCC to determine whether such an evaluation can be funded by MCC directly lasting beyond the completion of the Compact.

3. Special Studies

Special studies are planned to address project-specific issues. An exhaustive list of studies has not yet been completed. Each special study is intended to enrich the mid-term and final evaluations by providing pertinent information about sectors or projects under implementation. Studies identified at this stage include the analysis of value chains for olive, dates, almonds, figs, and some small scale fish products. All three studies are underway. Results will be available for use in the mid-term evaluation study. At least one future study will address gender issues related to one or more activities.

3.1 Value chain analysis of olives, dates, almonds and figs:

The Fruit Tree Productivity Project is based on a value-chain approach and targets all the value chain segments from upstream (planting, organization, training) to downstream (adding value to production through process and other post-harvest enhancements). Project activities were developed based on current knowledge of the fruit-tree value chain, which, while quite advanced, is still lacking details in terms of linkages from the farm to marketing and processing. A value-chain approach will be used to explore all the links in the chain from harvesting to final consumption to provide a better understanding of the interactions between different markets, how prices are formed, and what constraints to commerce might constrain the growth of these sectors.

The crops selected for Fruit Tree Productivity Project (olives, almonds, figs, and dates) are ones that can be processed and transformed into higher value products. Morocco has a comparative advantage in growing these crops. Since fruit trees are grown very often on small, low-income farms in marginal areas, improvements in this sector can be particularly effective in alleviating poverty. Value-chain analysis can identify weak links which hinder competitiveness and highlight steps that can be taken to improve Morocco's competitive advantage improving sales in both the national and international market.

The objective of the study is the development of a plan to improve products and processes, identifying new opportunities and new channels to promising markets. By enriching our knowledge of products' chain value, this specific study should be able to help better design and implement technical assistance provided to farmers while enriching the mid-term performance evaluation. The value-chain study will emphasize the analysis of final markets: price competitiveness (efficiency), product differentiation (label, region), and the identification of niche or window markets (e.g. certified organic products). Value-chain analysis also provides insights into market structure and the relationships between: products and markets, (retail sales, wholesale sales, inputs or services, production, processing, vertical and horizontal linkages, and relations between market participants).

Phyto Consulting is conducting the olive and date value-chain analysis and Agland Invest & Fellah Conseil is conducting the value-chain analysis of almonds and figs. The consultants are expected to complete their reports by late-March 2011, and workshops will be organized to present their findings soon thereafter.

3.2 Value chain analysis of small scale fishery:

Another study is underway for the Small Scale Fishery Project by Cofrepeche Maroc. The main species in 10 sites will be studied, of which 4 are on the Mediterranean coast and 6 on the Atlantic coast. The objective is identify the primary constraints to the performance of the chain and how to better help small scale fishermen get better prices for their catches. The results of this study are expected in February 2011.

V. M&E MANAGEMENT AND ADMINISTRATION

1. Monitoring and Evaluation Responsibilities

The implementing agreement between the APP and each of its implementing entities clearly establishes monitoring and evaluation responsibilities of the APP and the M&E Units included in each implementing entity. M&E Units were created in each implementing entity and the DME coordinates their activities. The DME is tasked with building the capacity of the M&E Units and promote an exchange of experiences across the teams.

The M&E Plan is developed with the assistance of the implementing entities. It is implemented by the M&E Units under the supervision of the DME. Each M&E Unit is responsible for implementing that part of the M&E Plan relevant to its project and providing quarterly M&E reports to the DME. Monitoring and evaluation reports produced by the M&E Units should provide the implementing entities with management and decision-making tools. The M&E Units are to

transmit their reports in conformity with the transmission schedule described above. The M&E Units should also collaborate with the implementation of project studies in their areas of responsibility. Similarly, they are responsible for the quality of data incorporated into the M&E Plan. The APP Director supervises the M&E Plan and assures that the actions of the M&E Units conform to pre-established standards.

The DME is in charge of:

- Instituting an M&E Plan that integrates the collection, analysis, verification, and consolidation of information on performance indicators for all projects and places quarterly performance data in an information system.
- Developing procedure manuals for M&E that will form the basis of the monitoring and evaluation tasks of different entities.
- Developing and implementing an M&E training plan for M&E Units, providing methodological tools for conducting M&E, as well as procedures for the collection, processing and dissemination of information.
- Disseminating performance outcomes and impacts to the Moroccan public to facilitate their participation in the MCC Program and engage different stakeholders who are directly or indirectly concerned with project activities and the success of the Program;
- Establishing a data-quality verification strategy with internal and external controls;
- Developing an annual work plan for the M&E staff which is to be submitted to the APP management and MCC for approval;
- Preparing TORs for contracts related to M&E, including baseline data, impact evaluations, program evaluations, mid-term and final evaluations, software for the management information system (MIS), the data quality review and special studies;
- Accompanying M&E Units to observe the process of collecting performance indicator data that are required by the M&E Units;
- Assisting impact evaluation teams, notably supporting their missions and requirements for meetings, information, and accommodation, taking into account the recommendations of the evaluation team regarding data collection throughout the Compact (including sampling strategy, survey instrument design, survey pre-test etc.) and supporting the dissemination of findings throughout the impact evaluation and at its conclusion.

2. Training Strategy

To improve the capacity of various stakeholders in implementing the M&E Plan, training modules were held for the M&E Units and project teams both at APP and UGPs. The modules covered:

- The log matrix approach and the project cycle
- The design and implementation of results-based M&E Plans
- Results-based Project management
- Evaluation of development projects
- Cost-benefit analysis of development project

The training firm, iDEA, was selected by APP through a competitive process. A training plan for the coming years is being designed.

3. Management Information System

The Department of Monitoring and Evaluation is developing, through a contractor, OPTEAMAR & M7, selected through a competitive procurement process, an integrated management information system (MIS) to meet the needs of M&E for all Compact projects as well as project teams' needs. This MIS will manage data related to procurement, financial management, and monitoring. It is intended to generate disbursement requests and quarterly reports required by MCC. The MIS will be completed by late-June 2011.

4. Budget

The M&E budget comes to \$20.7 million, or nearly three percent of the total Compact budget. The budget was developed based on the estimated costs of contracts for baseline surveys for the Fruit Tree Productivity Project, the Small Scale Fisheries Project, and two activities included in the Artisan and Fez Medina Project (artisan production and promotion). In addition, the budget funds APP's performance and impact evaluations, data quality review, M&E training and other activities required for the management of M&E activities.

5. Monitoring and Evaluation Communications Strategy

The communication strategy for M&E is part of the overall APP strategy. M&E reporting includes quarterly monitoring, mid-term and final performance evaluations, and impact evaluations. All reports will be available to the implementing entities, project managers, administrative authorities and the public in a format determined on a case-by-case basis (distribution of documents and reports in hard copy or electronic format, publication on the APP website, conferences, etc.).

6. Annual Review and Revision of the Monitoring and Evaluation Plan

By definition, an M&E Plan is a management tool and should be suitable and useful to facilitate this goal. An annual review of the M&E Plan and procedures is anticipated by the DME in the first quarter of each year of the Compact and will include any changes resulting from project and activity re-scoping. The annual review of M&E management may include a review of data collection procedures and the uses of data, as well as measures to insure that Program changes are adequately reflected in the M&E Plan. In particular, the annual review will verify whether the targets in the monitoring indicator tables have been met; whether those responsible for data collection have provided scheduled information; whether indicator definitions are appropriate (without ambiguity, etc).

If the annual review leads to significant changes in the M&E Plan, a revised plan providing detailed documentation for all proposed changes, including their justifications, will be submitted to the APP Strategic Steering Committee and MCC.

ANNEXES

Annex I: Logical Framework for the Fruit Tree Productivity Project

Goal Indicators and Targets

Goal: Increased economic growth and reduce poverty in targeted areas

Goal	Indicator	Definition	Source/Methodology	Frequency ¹⁰
Agricultural income is increased in target areas	Average agriculture income by activity and by gender	Average agricultural income per farm (US\$/farm/year)	Surveys	- Baseline - 2013 Final Evaluation

Goal ¹¹	Baseline	Year 5	Year 10
Average Agricultural Revenue per Farm in rehabilitation rainfed ¹²	308	275	1488
Average olives activity revenue per Farm in extension rainfed areas	1068	1235	1301
Average Agricultural Revenue per Farm in irrigated areas	1811	2453	2579
Average Agricultural Revenue per Farm in oasis areas	2226	3118	3597

¹⁰ Data collection frequency will be reviewed once the impact evaluation methodology becomes final.

¹¹ This table only reflects indicators for which there are targets.

¹² This is only the farm income generated by the activity of planting olive trees; the model of economic analysis did not take into account all operational activities including any revenue generated by the participation of farmers to work sites. The reference value corresponds to the margin generated by grain.

Objective Indicators and Targets

Objective : Reduce the volatility of agricultural production and increase the volume and value of output

Objective	Indicator	Definition	Source/ Methodology	Frequency
Fruit tree production is increased	Production of olives and dates	Production of olives and dates in target areas (tons) (Area * Average yield)	Annual monitoring surveys	Annual
The value of fruit tree production is increased	Value of production of olives and dates	Area*average yield*producer price (\$US millions)	- Annual monitoring surveys - Price information system	
Olive-oil quality is improved	Share of olives used to make virgin olive oil and extra-virgin olive oil out of total olive oil production	Proportion of olives used to make virgin and extra virgin olive oil to total olive oil production in targeted rain-fed areas (%)	Impact evaluation	- Baseline survey - Final survey
The production of processed table olives is increased.	Share of processed table olives out of total olive production	Proportion of processed table olives to total olive production in targeted irrigated areas (%)	Performance evaluation	- Baseline survey - Final survey
The production of processed dates is increased	Share of processed dates out of total date output	Proportion of processed dates to total date production in targeted oasis areas (%)	Performance evaluation	
The yield of rehabilitated date palms is increased	Yield of date palms	Yield of rehabilitated date palms (T/Ha)	Annual monitoring surveys	Annual
The yield of rehabilitated date trees is increased	Yield of rehabilitated olive trees	Yield of rehabilitated olive trees in rain-fed and irrigated areas (T/ha)	Annual monitoring surveys	

Objective: Reduce the volatility of agricultural production and increase production in terms of volume and value:

Objective	Baseline¹³	Year 1	Year 2	Year 3	Year 4	Year 5
Production of olives (1000T):						
Rain-fed areas	53.6	53.6	53.6	61.7	69.8	69.8
Irrigated areas	44.6	44.6	44.6	44.6	52.6	63.9
Production of dates in targeted oasis areas (1000T)	22.6	22.6	22.6	22.6	28.3	35.3
Value of olive production (millions US\$) ¹⁴						
Rain-fed areas	29.5	29.5	29.5	34	38.4	38.4
Irrigated areas	28.3	28.3	28.3	28.3	33.3	40.5
Value of date production in targeted oasis areas (millions US\$)	31.9	31.9	31.9	31.9	40.3	50.6
Proportion of olives used to make virgin and extra-virgin olive oil to total production in targeted rain-fed areas	25%	N/A	N/A	N/A	N/A	60%
Proportion of processed table olives to total olive production in targeted irrigated areas	20%	N/A	N/A	N/A	N/A	60%
Proportion of processed dates to total date production in targeted oasis areas	5%	N/A	N/A	N/A	N/A	35%

¹³ Indicators based on the economic analysis will be updated using the baseline survey data that will be available in February 2011.

¹⁴ The value of olives and dates will be recalculated using price data from a producer-price survey included the baseline and evaluation surveys. The figures used were calculated based upon 3,500 MAD/T for olives and 12,000 MAD/T for dates. The prices were assumed to remain constant over the 5-year project period.

Objective: Reduce the volatility of agricultural production and increase production in terms of volume and value:

Objective	Baseline¹⁵	Year 1	Year 2	Year 3	Year 4	Year 5
Yield of rehabilitated olive trees in rain-fed areas (T/ha)	1.19	1.19	1.19	1.37	1.55	1.55
Yield of rehabilitated olive trees in irrigated areas (T/Ha)	2.64	2.64	2.64	2.64	3.11	3.78
Yield of rehabilitated date palms in oasis areas (Kg/tree)	15.85	15.85	15.85	15.85	19.8	24.72

¹⁵ Indicators based on the economic analysis will be updated using the baseline survey that will be fielded before the start of the program.

Outcome and Output Indicators and Targets

Intensification and extension of olives, almonds and figs in rain-fed areas

Outcome	Indicator	Definition	Source/ Methodology	Frequency
Cropping patterns are changed	Proportion of cultivated land planted with olive trees	Share of cultivated land planted with olive trees (%)	Performance evaluation	- Baseline survey - Mid-term and final survey
Farm cooperatives are functioning	Proportion of functioning farm cooperatives	Number of functioning farm cooperatives compared to the number of farmer cooperatives started (%)	Performance and impact evaluation	Impact evaluation Mid-term and final evaluation
Farmers have adopted new techniques	Proportion of trained farmers adopting new techniques in the intensification and extension of olives in rain-fed areas by gender	Report on the number of trained farmers adopting new techniques out of those trained in intensification and extension of olives in rain-fed areas (%)	Performance and impact evaluation	

Output	Indicator	Definition	Source/ Methodology	Frequency
Planting fruit trees	- Success rate of new plants	- Proportion of successful new planting compared to total new plantings (%)	Monitoring data	Quarterly
	- Area planted by type	- Area planted by type of tree	Monitoring data and periodic reports on project results from the TC-1A consultant	Quarterly
Application of water and soil conservation methods	- Area for which water and soil conservation measures have been implemented	- Area in extension perimeters for which water and soil conservation measures have been implemented		

Outcome ¹⁶	Baseline ¹⁷	Year 1	Year 2	Year 3	Year 4	Year 5
Proportion of cultivated land planted with olive trees (%)	10%	N/A	N/A	24%	N/A	32%
Proportion of functioning farm cooperatives	0	N/A	N/A	100 %	N/A	100 %
Proportion of trained farmers adopting new techniques on the intensification and extension of olives in rain-fed areas	0	N/A	N/A	35 %	N/A	50 %

Output	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5
Cumulative area planted in olive trees	0	398	9262	59 174	59 174	59 174
Cumulative area planted in almond trees	0	0	0	2900	2900	2900
Success rate of new plants (%)	0	N/A ¹⁸	N/A	100%	100%	100%
Cumulative Area in extension perimeters for which water and soil conservation measures have been implemented	0	1643	4130	41 713	41 713	41 713

¹⁶ This table only reflects indicators for which there are targets.

¹⁷ Indicators based on the economic analysis will be updated using the baseline survey that will be fielded before the start of the program.

¹⁸ Not applicable. The success rate can only be measured after the third year, that is, two years after the first tranche is planted.

Irrigation and intensification of olive trees in irrigated areas

Outcome	Indicator	Definition	Source/ Methodology	Frequency
Perimeters rehabilitated in irrigated areas	<ul style="list-style-type: none"> Area of irrigated perimeters rehabilitated Number of perimeters rehabilitated 	<ul style="list-style-type: none"> Area of irrigated perimeters rehabilitated (Ha) Number of perimeters rehabilitated 	Monitoring data/ Periodic reports on implementation progress by the TC-1B consultant	Annual
Water Users Associations (WUA) have taken charge of the management and maintenance of the irrigation network in the rehabilitated perimeters	Percentage of W UAs effectively taking charge of the management and maintenance of the irrigation network.	The ratio of the number of WUAs effectively having taken charge of the management and maintenance of the irrigation network and the total number of WUAs	Surveys of WUA	Baseline Mid-term and final evaluations
Farmers have adopted new techniques to intensify olive production	Rate of adoption by farmers of new techniques to intensify olive production by gender	The ratio of the number of farmers who have adopted new techniques and the total number of farmers trained in methods to intensify olive production.		

Output	Indicator	Definition	Source/ Methodology	Frequency
Construction of diversion works	Number of diversion works constructed	Number of diversion works constructed	Monitoring data/Periodic reports on implementation progress by the TC-1B consultant	Quarterly
Rehabilitation of diversion works	Number of diversion works rehabilitated	Number of diversion works rehabilitated		
Construction /Resurfacing irrigation network	ML of irrigation network constructed/resurfaced	ML of irrigation network constructed /resurfaced		
Rehabilitation of irrigations network	ML of irrigation network rehabilitated	ML of irrigation network rehabilitated		
Construction of reservoirs	Number of reservoirs constructed	Number of reservoirs constructed		
Development of water sources	Number of water sources constructed Number of water sources rehabilitated	Number of water sources constructed Number of water sources rehabilitated		
Construction of pumping stations	Number of pumping stations improved	Number of pumping stations improved		

Irrigation and intensification of olive trees in irrigated areas

Outcome¹⁹	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5
Cumulative area of irrigated perimeters rehabilitated (ha)	0	0	0	5730	27 000	33 983
Cumulative number of rehabilitated perimeters	0	0	0	3	30	65
Percentage of WUAs having effectively taken charge of the management and maintenance of the irrigation network (irrigated areas)	0%	N/A	N/A	30%	N/A	100%
Adoption rate of new techniques by farmers for the intensification of olive groves.	0	N/A	N/A	35 %	N/A	50 %

Irrigation et intensification of olives in irrigated areas

Output	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5
Number of diversion works constructed	0	0	N/A	3	20 ²⁰	39
Number of diversion works rehabilitated	0	0	N/A	2	18	21
ML of irrigation canals resurfaced/rehabilitated	0	0	N/A	87933	395 707	545 321
Cumulative number of reservoirs constructed/rehabilitated	0	0	0	0	0	16
Cumulative number of water sources constructed/rehabilitated	0	0	N/A	0	5	7
Number of pumping stations constructed	0	0	N/A	0	4	7

¹⁹ Only indicators with targets are listed.

²⁰ The consistency of the work to be performed by perimeter has been corrected and clarified from the implementation studies are completed for all slices

Irrigation and intensification of date palms

Irrigation et intensification date palms in oasis areas				
Outcome	Indicator	Definition	Source/ Methodology	Frequency
Irrigated perimeters rehabilitated in oasis areas	- Number of oasis rehabilitated - Area of oasis rehabilitated	- Number of oasis rehabilitated Area of oasis rehabilitated	Monitoring data /Periodic reports on implementation progress by the TC-1B consultant	Quarterly
Date palm orchards are rehabilitated and maintained	- % of in-vitro successfully planted - % of shoots successfully transplanted - Number of date palms maintained	- % of in-vitro seedlings successfully planted - % of shoots successfully transplanted - Number of date palms maintained	Annual monitoring surveys	Annual
WUAs take charge of the management of the rehabilitated perimeters	- Percentage of WUA effectively in charge of the management and maintenance of irrigation networks	- Relationship between the number of WUAs effectively in charge of the management and maintenance of the irrigation network and the total number of WUAs in operation	Performance evaluations	Mid-term and final evaluations
Farmers have adopted new methods of managing existing date palm orchards	- Adoption rate by farmers of new techniques to manage existing date palm orchards compared to the total number of farmers trained by gender	- Relationship between the number of farmers have adopted new techniques to manage existing date palm orchards and the total number of farmers trained		

Irrigation et intensification of date palms in oasis areas				
Output	Indicator	Definition	Source/ Methodology	Frequency
Construction of diversion works	Number of diversion works constructed	Number of diversion works constructed	Monitoring data/Periodic reports on implementation progress by the TC-1B consultant	Quarterly
Rehabilitation of diversion works	Number of diversion works rehabilitated	Number of diversion works rehabilitated		
Construction /Resurfacing of irrigation network	ML of irrigation network constructed/resurfaced	ML of irrigation network constructed/resurfaced		
Rehabilitation of irrigation network	ML of irrigation network rehabilitated	ML of irrigation network rehabilitated		
Construction of reservoirs	Number of reservoirs constructed Number of reservoirs rehabilitated	Number of reservoirs constructed Number of reservoirs rehabilitated	Monitoring data/Periodic reports on implementation progress by the TC-6A consultant	
Distribution of in-vitro and shoots	– Number of certified in-vitro distributed – Number of shoots distributed	– Number of certified in-vitro distributed Number of shoots distributed		
Cleaning tufts (touffes)	Number of tufts cleaned	Number of tufts cleaned		

Irrigation and intensification date palms in oasis areas:

Outcome²¹	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5
Cumulative area of oasis rehabilitated	0	0	N/A	12 362	19 392	19 392
Cumulative number of oasis rehabilitated ²²	0	0	N/A	3	8	12
% of in-vitro seedlings successfully planted	0	0	N/A	100 %	100 %	100 %
% of shoots successfully transplanted	0	0	N/A	100 %	100 %	100 %
Percentage of WUA effectively in charge of the management and maintenance of irrigation networks	0	0	N/A	30%	N/A	100%
Adoption rate by farmers of new techniques to manage existing date palm orchards compared to the total number of farmers trained	0	0	N/A	35%	N/A	50%

²¹ This table only reflects indicators for which there are targets.

²² Contract TC-1B is intended to implement feasibility study recommendations and techniques proposed to improve the irrigated perimeters (both olive and oasis irrigation). It will also determine the number of perimeters eligible for rehabilitation for all three tranches.

Irrigation and intensification of date palms in oasis areas:

Output	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5
Cumulative number of diversion works constructed	0	0	N/A	7	7	15
Cumulative number of diversion works rehabilitated	0	0	N/A	6	7	7
ML of irrigation network constructed/ resurfaced	0	0	N/A	73 088	132 521	143 639
Cumulative number of storage basins rehabilitated	0	0	0	0	0	2
Cumulative number of reservoirs developed	0	0	0	0	0	10
Cumulative number of in-vitro distributed	0	0	0	52 400	108 800	250 000
Cumulative number of suckers thinned	0	0	0	68 000	140 000	140 000

Supporting Services ²³

Outcome	Indicator	Definition	Source/ Methodology	Frequency
- Food processors improve their standards	- Percentage of food processors receiving training and technical assistance that have adopted a business plan by gender (%)	- Percentage of food processors receiving training and technical assistance that have adopted a business plan (%)	Rapport périodiques du TC-5A et TC-5B	Annual
- Food processors are certified	- Number of food processors certified by gender	- Number of food processors certified		

²³ These indicators are related to value chain networks for olives, almonds and figs related to TC-5A, for which the TOR is nearly finished. A similar TOR for date palms is anticipated under TC-5B, where the TOR has been just started. Once completed (towards the end of November 2009), these TORs will provide a clearer understanding of proposed activities and targets.

Supporting Services:

Output	Indicator	Definition	Source/ Methodology	Frequency
1- Training				
Training for Farmers' Cooperatives (FC) and Water User Associations (WUA) for rehabilitation perimeters	- Number of FCs/WUAs trained Number of participants trained	- Number of FCs/WUAs trained - Number of participants trained	Monitoring data/Periodic reports on consultant implementation under TC-5A et TC-5B	Quarterly
Training for farmers in rehabilitation perimeters	- Number of farmers trained in rehabilitation perimeters by gender	- Number of farmers trained in rehabilitation perimeters	Monitoring data/Periodic reports on consultant implementation under TC-5A/TC5-B	Quarterly
Training of children of farmers in rehabilitation perimeters	- Number of farmers' children trained in rehabilitation perimeters by gender	- Number of farmers' children trained in rehabilitation perimeters	Monitoring data/Periodic reports on consultant implementation under TC-5A et TC-5B	Quarterly
Managers of food processing firms are trained to implement good manufacturing and management practices	- Number of managers trained in good manufacturing and management practices by gender	- Number of managers trained in good manufacturing and management practices	Monitoring data/Periodic reports on implementation progress by TC-5A and TC-5B consultants	Quarterly
Food processing technicians are trained to use good manufacturing practices	- Number of technicians trained in good manufacturing practices by gender.	- Number of technicians trained in good manufacturing practices		

Output	Indicator	Definition	Source/ Methodology	Frequency
2- Technical Assistance				
Food processors are helped in upgrading their standards	Number of food processors in upgrading their standards by gender	Number of food processors in upgrading their standards	Monitoring data/Periodic reports on implementation progress by TC-5A and TC-5B consultants	Quarterly
Institution of quality systems	Number of food processors provided assistance in instituting a quality system by gender	Number of food processors provided assistance in instituting a quality system		
Professional women's associations receive support for pilot projects	Number of pilot projects from women's organizations receiving support by gender	Number of pilot projects from women's organizations receiving support		
Cumulative number of new packaging and cold storage units installed	Cumulative number of new packaging and cold storage units installed	Number of new packaging and cold storage units installed		

Supporting Services						
Outcome ²⁴	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5
Percentage of olive processors receiving training and technical assistance that have adopted a business plan	0	N/A	N/A	0	20 %	50 %
Percentage of date processors receiving training and technical assistance who have adopted a business plan	0	N/A	N/A	0	5 %	20 %
Number of olive processors certified	0	N/A	N/A	0	6	25
Number of date processors certified	0	N/A	N/A	0	0	7

²⁴ This table only reflects indicators for which there are targets.

Supporting Services

Output ²⁵	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5
Cumulative number of farmers trained in rehabilitation perimeters (Rain-fed)	0	0	0	9 400	26 800	26 800
Cumulative number of farmers trained in irrigated perimeters (PMH)	0	0	0	2 300	6 500	6 500
Cumulative number of farmers trained on rehabilitation perimeters (Oasis)	0	0	0	5500	7600	9000
Cumulative Number of farmer's children trained in rehabilitation perimeters by gender (Rain-fed)	0	0	0	1 883	5 360	5 360
Cumulative Number of farmers' children trained in irrigated perimeters (PMH)	0	0	0	457	1 300	1 300
Cumulative Number of farmers' children trained in Oasis perimeters	0	0	0	550	760	900
Cumulative number of farmers' organizations trained (Rain-fed)	0	0	0	94	268	268
Cumulative number of farmers' organizations trained in oasis areas under TC-5B	0	0	0	0	150	150
Cumulative number of farmers' organizations trained in irrigated areas under TC-5A	0	0	0	34	55	65
Cumulative number of WUAs trained in irrigated areas under TC-1B	0	0	0	80	80	80
Number of WUAs trained under TC-1B (Oasis)	0	0	0	12	20	20

²⁵ This table only reflects indicators for which there are targets.

Output ²⁶	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5
Cumulative number of managers of food processing trained on good manufacturing and management practices (rain-fed and irrigated areas)	0	0	0	53	85	100
Cumulative number of managers of food processing trained on good manufacturing and management practices (Oasis)	0	0	0	10	15	20
Cumulative number of food processing technicians trained on good manufacturing practices (rain-fed and irrigated areas)	0	0	0	105	169	200
Cumulative number of food processing technicians trained on good manufacturing practices (Oasis)	0	0	0	10	20	40
Cumulative number of processing firms trained on quality systems (Rain-fed and irrigated areas)	0	0	0	53	85	100

²⁶ This table only reflects indicators for which there are targets.

Output	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5
Cumulative number of processing firms provided start-up assistance (Rain-fed and irrigated areas)	0	0	N/A	36	69	100
Cumulative number of processing firms provided start-up assistance (Oasis)	0	0	0	10	15	30
Cumulative number of processing firms trained on quality systems (Rain-fed and irrigated areas)	0	0	0	6	13	25
Cumulative number of women's organizations provided start-up assistance under pilot projects (Rain-fed and irrigated areas)	0	0	0	10	15	15
Cumulative number of women's organizations provided start-up assistance under pilot projects (Oasis)	0	0	0	2	4	8
Cumulative number of new packaging and cold storage units created	0	0	0	8	4	0

Common indicators

Activity	Indicator	Definition	Source/ Methodology	Frequency
Agriculture and Irrigation	Value of irrigation feasibility and/or detailed design contracts signed	The value of all signed feasibility, design, and environmental contracts, including resettlement action plans, for agricultural irrigation investments. If the value of a contract changes, the amount of the change (either + or -) should be reported in the quarter where the change occurred.	Direction Project /APP	One time
Agriculture and Irrigation	Percent of contracted irrigation feasibility and/or design studies disbursed	Total amount of all signed feasibility, design, and environmental contracts, including resettlement action plans, for agricultural irrigation investments disbursed divided by total value of all contracts awarded. Denominator = Value of signed contracts for studies as defined above. Numerator = Amount of money disbursed on these contracts. This is a proxy indicator for completion.	Direction Project /APP	Quarterly
Agriculture and Irrigation	Value of irrigation construction contracts signed	Total value of all signed construction contracts for agricultural irrigation investments. If the value of a contract changes, the amount of the change (either + or -) should be reported in the quarter where the change occurred. Cost sharing by others (e.g., co financing by other donors or government) should not be included.	Direction Project /APP	By tranche
Agriculture and Irrigation	Percent of contracted irrigation construction works disbursed	Total amount of all signed construction contracts for agricultural irrigation investments disbursed divided by total value of all contracts awarded. Denominator = Value of signed contracts for construction as defined above. Numerator = Amount of money disbursed on these contracts. This is a proxy indicator for completion. However, since the numerator includes industry standard advance payments and mobilization fees, it does not correlate perfectly with progress.	Financial Department (APP)	Quarterly

Target value of common indicators of Fruit tree Project

Common indicators	Compact year 1				Compact year 2				Compact year 3				Compact year 4				Compact year 5			
	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12	Q13	Q14	Q15	Q16	Q17	Q18	Q19	Q20
Value of irrigation feasibility and/or detailed design contracts signed (\$)	18 949 079																			
Percent of contracted irrigation feasibility and/or design studies disbursed	0				51				100				100				100			
					51															
Value of irrigation construction contracts signed (\$)					31 487 980				44 737 378											
Percent of contracted irrigation construction works disbursed	0	0	0	0	0	0	5	7	15	33	56	66	77	91	99	100	100	100	100	100

Annex II: Logical Framework for the Small Scale Fisheries Project

Goal Indicators and Targets

Goal: Improving the income of artisan fishermen, mobile fish vendors and women in the artisanal fishing sector.

Goal :	Indicator	Definition	Source/ Methodology	Frequency
Incomes of artisanal fishermen are improved :	Net annual income of artisanal fishermen	Sales less expenses (variable et fixed) (US\$)	Socio-economic survey INRH ²⁷	
– PDA	– PDA			
– Ports	– Ports			
Net annual incomes of mobile fish vendors are improved	Net annual income of mobile fish vendors	Sales less expenses (variables et fixed) (MAD)	Consultant survey	- Mid-term
Women are integrated in the value chain of artisanal fishing and their situation is improved ²⁸	– Annual income of women in the project	– Income of women in the project (MAD)	Consultant in cooperation with the Gender Unit du MAPM and the M&E Unit	- Final evaluation

²⁷ An agreement is to be made with INRH to collect data on income of artisanal fishermen landing at the new PDAs.

²⁸ Projects focusing on women will be identified in the Strategic Environmental Study (Contract AF1). Indicators will be defined once the projects are identified..

Goal :	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5
Net annual income of artisanal fishermen (income per boat) (US\$) ²⁹						
- PDA ³⁰	19138	19138	19138	19138	31369	31369
- Ports ³¹	26861	26861	26861	26861	28779	28779
Net annual income of mobile vendors(US\$)	3586	3586	4880	4880	4880	4880
Annual income of women by type of project (US\$) ³²	TBD	TBD	TBD	TBD	TBD	TBD

²⁹ First tranche construction will not be completed until 2012. Initial impacts will first be apparent one year after PDA and port infrastructure is in place.

³⁰ The first tranche for the PDAs (or *Quick start*) will not be completed until 2011. The impact on artisanal fishermen will first be apparent one year later, that is, at the end of Year 4 or the beginning of Year 5.

³¹ The first tranche of infrastructure for the ports (or *Quick start*) will not be completed until 2011. The impact on artisanal fisherman will be apparent one year later, that is, at the end of Year 4 or the beginning of Year 5.

³² This indicator will be determined after feasibility studies identify projects for women; no earlier than October, 2011.

Objective Indicators and Targets

Objectives: Increase fish consumption, improve maritime resource sustainability, and improve autonomous fishing organizations

Objective	Indicator	Definition	Source/ Methodology	Frequency
Resources are managed in a sustainable manner	The state of fish stock at ports and PDAs	The state of a market basket of around 10 types of fish ³³ (scale)	INRH	–Baseline –Annual survey starting 2010
Mobile fish vendors sell more varieties of fish at higher prices	Average price of fish sold by mobile fish vendors	Average price of fish sold by mobile fish vendors	Socio-economic studies	–Quarterly
The average price of fish on the local market is higher	Average prices of fish at local markets	Average price of fish at : – Fish Halls (MAD/kg) in PDAs	ONP information system	–Baseline –Quarterly
Domestic fish consumption is increased	- Per-capita fish consumption	- Annual per-capita fish consumption of residents in towns with new wholesale markets	Consultant survey of consumption	–Baseline –Final evaluation

³³ Depending on the state of the fish market basket evaluated, resources are to be classified as: underutilized, fully utilized, over utilized or recovering.

Artisanal fisherman are organized and autonomous: – PDA – Ports –	% of organizations managing their own infrastructure: – Stores, fuel depots, ice plants (PDAs) – Stores, fuel depots, ice plants (ports) –	% of organizations managing their own infrastructure: – Stores, fuel depots, ice plants (PDAs) – Stores, fuel depots, ice plants (ports) % of organizations with regularly held general assemblies	ONP M&E Unit			–Annual
Objective	Baseline ³⁴	Year 1	Year 2	Year 3	Year 4	Year 5
The state of fish stock at ports and PDAs ³⁵	TBD	TBD	TBD	TBD	TBD	TBD
Average price of fish sold by mobile fish vendors	11,27	NA	10,71	10,71	10,71	10,71
Average price of fish at (DH/Kg) ³⁶ fish Hall in PDAs	37.5	ND	ND ³⁷	37.5	39.35	44.7
Per-capita annual fish consumption (Kg)	12	12	12	12	13	14
% of artisan fishermen's organizations at PDAs managing their own infrastructure (Stores, fuel depots, ice plants)	0%	0%	0%	100% ³⁸	100%	100%
% des artisan fishermen's organizations at ports managing their own infrastructure (Stores, fuel depots, ice plants)	0%	0%	0%	100%	100%	100%

³⁴ The indicator targets were taken from the economic analysis; they will be updated based on the baseline survey to be launched before the infrastructure works begin. Prices are in constant MAD adjusted for inflation.

³⁵ These indicator values should be determined towards the beginning of January 2011 through APP INRH project

³⁶ Constant MAD prices

³⁷ As the PDAs have not been built yet, the information system of the ONP is not in place, so prices cannot be collected.

³⁸ This percentage will be calculated for cooperatives organized or rehabilitated before the start of works corresponding to each tranche, that is, more than 20 months before.

Outcome Indicators and Targets

Outcome: Construction of 20 PDAs, 13 ports and 6 Wholesale Markets

Outcome	Indicators	Definition	Source/ Methodology	Frequency
Artisanal fishermen have access to new PDAs	- Boats landing at new PDAs	- Number of boats landing at new PDAs	ONP Information System	Quarterly – once the PDAs are in place
	- Quantity of fish landed at PDAs	- Quantity of fish landed at PDAs (tons)		
Artisanal fishermen have access to landing at 13 project ports.	- Artisan boats landing at 13 project ports	- Number of artisan boats landing at 13 project ports	ONP Information System	Quarterly – once the port infrastructure is in place
Small scale fishing boats have better market access	- Quantity of fish provided to new wholesale markets	- Volume of fish provided to new wholesale markets (tons)	ONP information system	Annual, at the end of the 1 st Tranche
Mobile fish vendors are equipped with scooters and insulated boxes	- Active mobile fish vendors who have been equipped with scooters and insulated boxes	- Number of active mobile fish vendors who have been equipped with insulated boxes	Monitoring reports Survey of mobile fish vendors	Quarterly
	- Volume of fish sold by mobile fish vendors in project	- Volume of fish sold by mobile fish vendors (Kg/vendor/day)		Annual

Outcome	Indicators	Definition	Source/ Methodology	Frequency
Projects for women are started in artisanal fishing value-chain activities (4 TO 8 projects)	- Women participating in new projects, by type of activity.	- Number of women participating in new projects, by type of activity	Monitoring reports	Quarterly
Trained boat owners become certified	- Boat owners who received a certificate, after training	- Number of boat owners who received a certificate, after training	Monitoring reports	Annual

Outcome	Baseline³⁹	Year 1	Year 2	Year 3	Year 4	Year 5
Number of boats benefiting from new landing sites	0	0	0	0	893	1858 ⁴⁰
Volume of fish landed at PDAs (tons)	0	0	0	0	12833	12833
Number of fishing boats benefiting from new port infrastructure	0	0	0	0	4836	3670
Volume of fish provided to new wholesale markets (tons)	56499	56499	56499	56499	72725	89433
Volume of fish sold by mobile fish vendors (Kg/vendor/day)	45	45	50	50	50	50
Number of active mobile fish vendors equipped with insulated boxes	0	0		1200	1700	2000
Number of women participating in new projects, by type of activity ⁴¹	0	TBD	TBD	TBD	TBD	TBD
Number of boat owners who received a certificate of after training ⁴²	0	TBD	TBD	TBD	TBD	TBD

³⁹ The targets are based on prior economic analysis; they will be updated using the baseline survey that will be fielded before the start of the project activities.

⁴⁰ Cumulative figures

⁴¹ This indicator will be determined once feasibility studies identify projects benefiting women; no earlier than October 2011

⁴² The values of this indicator are expected to be determined at the beginning of April 2011.

Output Indicators and Targets

Output	Indicator	Definition	Source/ Methodology	Frequency
Infrastructure				
Construction of 20 PDAs	PDAs constructed	Number of PDAs constructed	Monitoring reports	Annual
Construction of Wholesale Markets	Wholesale markets constructed	Number of wholesale markets constructed	Monitoring reports	Annual
Port facilities provided artisanal fishing boats	Ports providing new facilities for artisanal fishing boats	Number of ports providing new facilities for artisanal fishing boats	Monitoring reports	Annual
Training and Research				
Training 40 trainers	- Training modules for trainers - Trainers trained	- Number of training modules for trainers - Number of trainers trained	Monitoring reports	Quarterly
Acquisition of Mobile training units	Number of Mobile training units equipped	Number of Mobile training units equipped	Monitoring reports	Quarterly
Equipment for 3 training rooms	Training rooms equipped	Number of training rooms equipped	Monitoring reports	Quarterly
Training for 7,000 boat owners	Boat owners trained	Number of boat owners trained	Monitoring reports	Quarterly
Specialized training (fishing et safety) for 21,000 sailors	Sailors trained in fishing and safety	Number of sailors trained in fishing and safety	Monitoring reports	Quarterly
Training for 100 cooperative and workshop managers	Trained cooperative and workshop managers	Number of trained cooperative and workshops managers	Monitoring reports	Quarterly

Output	Indicator	Definition	Source/ Methodology	Frequency
Support for the integration of women in artisanal fishing value-chain activities				
Inauguration of 4 to 8 projects for women in value chain activities related to artisanal fishing	<ul style="list-style-type: none"> –Projects identified –Cooperatives created 	<ul style="list-style-type: none"> –Number of projects identified - Number of cooperatives created 	Monitoring reports	Quarterly

Output	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5
Number of fish landing sites constructed	0	0	0	0	2	9
Number of ports providing new facilities for artisanal fishing boats	0	0	0	0	1	9
Number of wholesale markets constructed	0	0	0	0	1	5
Training and Research						
Number of trainers trained	0	0	0	20	10	10
Number of Mobile training units with audio-visual equipment acquire	0	0	0	0	3	0
Number of training rooms equipped	0	0	0		2	9
Number of boat owners trained	0	0		600	1000	1900
Number of sailors trained in fishing and safety	0	0		2000	6000	6000
Number of cooperative and workshop managers trained	0	0		10	10	20
Support for the integration of women in value chain activities related to artisanal fishing						
– Number of projects identified ⁴³	0	TBD	TBD	TBD	TBD	TBD
– Number of cooperatives created ⁴⁴	0	TBD	TBD	TBD	TBD	TBD

Annex III: Logical Framework for the Artisan and Fez Medina Project

⁴³ The consultant AFI identified some projects that will be subject to feasibility studies. The final eligible projects will be known by February 2011.

⁴⁴ This indicator will be determined once the feasibility studies identify projects benefiting women; no earlier than February 2011

Goal Indicators and Targets

Goal: To improve the income of potters and artisans as well as tourist receipts in Marrakech and Fez.

Goal	Indicator	Definition	Source/ Methodology	Frequency
The value added of small and medium pottery firms is improved	Wages and profits of artisanal SMEs by gender	Wages and profits of artisanal SMEs (\$/year)	Baseline Survey	Final Evaluation
Average income of mono-artisan potters is improved	Income of pottery mono-artisan potters	Sales less costs (\$/year)	Baseline Survey	Final Evaluation
Profit of artisans working on finished goods and sales is improved by gender	Profit of artisans working on finished goods and sales	Sales less costs (\$/year)	Baseline Survey	Final Evaluation

Goal⁴⁵	Baseline⁴⁶	Year 1	Year 2	Year 3	Year 4	Year 5
Wages and profits of artisanal SMEs (\$/month)	1870.49	NA	NA	NA	NA	2843.42
Income of pottery mono-artisan potters (\$/month)	849.35	NA	NA	NA	NA	1499.20
Profit of artisans working on finished goods and sales is improved (\$/year)	TBD ⁴⁷	0	0	0	NA	660,254

Objective Indicators and Targets.

Objective: To improve the quality and sales of artisan production

Objective	Indicator	Definition	Source/ Methodology	Frequency
Artisan Production				
The profitability of the pottery production is improved	Net margin of pottery production	Turn over – total cost (variable cost + fixed cost)		
Artisan production techniques are improved	Total production loss rate	Total production loss rate (%)	Survey	– Baseline survey
Artisan Promotion				
	SME artisan sales by gender: <ul style="list-style-type: none"> • For export • Nationally 	Sales of SME	Survey	– Baseline survey
	Sales of mono-artisans on the national market	Sales of mono-artisans	Survey	– Final evaluation

⁴⁵ The table only includes indicators for which there are targets.

⁴⁶ Indicator targets are based on the economic analysis model ; they will be updated using the baseline survey that will be fielded before program implementation.

⁴⁷ The baseline will be available upon completion of AFM-3B by January 2011.

Objective	Indicator	Definition	Source/ Methodology	Frequency
Fez Medina				
Increases in the number of tourists visiting Fez	<ul style="list-style-type: none"> – Number of tourists visiting Fez – Number of nights per tourist – Average daily expenditures per tourist 	<ul style="list-style-type: none"> – Number of tourists visiting Fez – Number of nights – Average expenditures/tourist/day (in \$) 	Tourism Observatory	Annual

Objective⁴⁸	Baseline⁴⁹	Year 1	Year 2	Year 3	Year 4	Year 5
Artisan Production						
Net margin of pottery sales (\$/year) ⁵⁰	22941	NA	NA	NA	NA	82823
Total production loss rate	30%	NA	NA	NA	NA	0%
Artisan Promotion						
SME artisan sales: <ul style="list-style-type: none"> • For export • Nationally 	TBD ⁵¹	NA	NA	NA	NA	TBD ⁵²
Sales of mono-artisans on the national market	TBD ⁵³	NA	NA	NA	NA	TBD ⁵⁴
Fez Medina						
Number of tourists visiting Fez	341076	351896	362356	372402	381981	391998
Number of nights per tourist	2.2	2.2	2.2	2.2	2.2	2.2075
Average expenditures/tourist/day (in \$)	165	165	165	165	165	167

⁴⁸ This table only shows indicators for which there are targets.

⁴⁹ The targets come from the economic analysis; they will be updated using data from the baseline survey that will be fielded before program implementation.

⁵⁰ Baseline and target values are calculated based on data from : 'Etude d'identification d'un Project d'appui au secteur de la poterie artisanale, Ministère de l'Energie et des Mines, juillet 2006'.

⁵¹ The baseline for this indicator will be collected as part of the baseline survey.

⁵² The target will be provided upon the completion of AFM-3B by January 2011

⁵³ The baseline for this indicator will be collected as part of the baseline survey

⁵⁴ The target will be provided upon the completion of AFM-3B, by January 2011.

Outcome Indicators and Targets:

Outcome	Indicator	Definition	Source/ Methodology	Frequency
Artisan Production				
Production processes for pottery are modernized on five sites	<ul style="list-style-type: none"> - Adoption rate for gas ovens at each of the sites - Adoption rates for alternatives to gas ovens 	<ul style="list-style-type: none"> - Adoption rate for gas ovens at each of the sites (%) - Adoption rates for alternatives to gas ovens (%) 	Monitoring unit/SECA	Final evaluation
Artisan Promotion				
Three tourist circuits are improved	Number of tourist circuits improved or created	Number of tourist circuits improved	Monitoring Reports	
A Moroccan label is developed and used in a promotion campaign	Number of SME's benefiting from label creation by gender ⁵⁵	Number of SME's benefiting from label	SME survey	Final evaluation
Medina of Fes				
Number beneficiaries in the rehabilitated sites	Number beneficiaries in the rehabilitated sites by gender	Number beneficiaries in the rehabilitated sites	Monitoring reports	Quarterly

⁵⁵ This indicator will be defined as part of AFM-5 towards the end of 2011.

Outcome⁵⁶	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5
Artisan Production						
Adoption rate for gas ovens at each of the sites	10% ⁵⁷	NA	NA	NA	NA	60%
Artisan Promotion						
Number of Touristic circuit improved or created	0	0	0	0	0	3
Number of SMEs benefiting from the label	0	0	0	0	TBD ⁵⁸	TBD
Fez Medina						
Number beneficiaries in the rehabilitated sites ⁵⁹	00	0	0	770	770	770

⁵⁶ This table only includes indicators for which there are targets.

⁵⁷ Etude d'identification d'un Project d'appui au secteur de la poterie artisanale, Ministère de l'Energie et des Mines, juillet 2006.

⁵⁸ This information will be available through AFM-3B at the end of January 2011.

⁵⁹ The number of beneficiaries will be known once the Resettlement Action Plans are validated.

Output Indicators and Targets

Output	Indicators	Definition	Source/ Methodology	Frequency
Artisan Production				
Training for 2,267 potters in Fez and Marrakech	Number of artisans trained to use modern techniques	Number of artisans trained to use modern techniques	Monitoring reports	Quarterly
Training potters in Fez and Marrakech	Number of potters trained at five sites	Number of days of training by session and module	Monitoring reports	Quarterly
Gas furnaces acquired by artisans.	Number of gas kilns acquired by artisans	Number of gas kilns acquired by artisans		
Artisan Promotion				
Completion of an international communications campaign for a sample of artisanal SMEs	Number of events organized	Number of events organized		
Information kiosks established	Information kiosks established	Number of information kiosks established		
Organization of a promotion campaign for the Moroccan label for artisanal products	Number of events organized	Number of events organized	Monitoring reports	
Completion of a campaign for promotion of tourist circuits for Fez and Marrakech Medina	Number of events organized	Number of events organized		Quarterly
Artisans tourist circuits of are refurbished and new circuits created	– Number of refurbished circuits – Number of new circuits	– Number of refurbished circuits – Number of new circuits	Monitoring reports	End of 2011
Fez Medina				
Rehabilitation of six sites in Fez Medina	Number of sites rehabilitated	Number of sites rehabilitated	Monitoring reports	Annual

Output	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5
Artisan Production						
Number of potters trained on alternative techniques	0	0	0	TBD ⁶⁰	TBD	0
Number of potters trained at Fez and Marrakech	0	0	0	2267	0	0
Number of gas kilns bought for artisans	0	0	0	0	144 ⁶¹	0
Artisan Promotion⁶²						
Number of events promoting PME and artisan products	0	0	0	0	TBD	0
Number of information kiosks	0	0	0	TBD	TBD	0
Number of tourist circuits created in Fez and Marrakech	0	0	0	0	0	TBD
Fez Medina						
Number of sites rehabilitated	0	0	0	0	0	6

⁶⁰ The number of artisans targeted by this activity will be known by June 2011, once the artisans who do not migrate to gas kilns are known.

⁶¹ Potential number of master artisans who will benefit from the subvention.

⁶² This information will be available through AFM-3B by January 2011.

Annex IV: Logical Framework for the Functional Literacy and Vocational Training Activity

Goal Indicators and Targets

Goal: Improve the income of beneficiaries in the agriculture, artisan, and fisheries sectors

Project's Goal	Indicators	Definition	Source/ Methodology	Frequency
Income of functional literacy beneficiaries is improved	Annual income of beneficiaries by gender and by category: <ul style="list-style-type: none"> - Artisans (men & women) - Small-scale fishers - Women working in fisheries - Wives, sons and daughters of small-scale fishers - Farmers, - Rural women, - Sons and daughters of farmers' 	<ul style="list-style-type: none"> ✓ Sales – total costs (variable and fixed), or ✓ Income from employment (wages and salaries) and self-employment 	Beneficiary surveys	<ul style="list-style-type: none"> – Baseline – Final Evaluation
Income of vocational training beneficiaries is improved	Annual income of vocational training beneficiaries by gender: <ul style="list-style-type: none"> – Residential – Apprenticeship – Continuing training 	<ul style="list-style-type: none"> ✓ Sales – total costs (variable and fixed), or ✓ Income from employment (wages and salaries) and self-employment 	Beneficiary surveys and control group	<ul style="list-style-type: none"> – Baseline – Final Evaluation

Goal:	Baseline	Year 2	Year 3	Year 4	Year 5
Annual income of functional literacy beneficiaries					
– Artisans (men)	17,300	NA	NA	NA	21,100
– Artisans (women) ⁶³	TBD				TBD
– Small-scale fishers	1,600	NA	NA	NA	2,100
– Women working in fisheries	TBD				TBD
– Wives, Sons and daughters of fishers	TBD				TBD
– Farmers	20,300	NA	NA	NA	21,900
– Rural women	1,500	NA	NA	NA	5,100
– Sons and daughters of farmers	6,700	NA	NA	NA	11,100
Annual income of vocational training beneficiaries					
– Residential (men)	0	N/A	N/A	NA	19,400
– Residential (women)		N/A	N/A	NA	
– Apprenticeship (men)	18,900	N/A	N/A	N/A	21,600
– Apprenticeship (women)		N/A	N/A	NA	
– Continuing training (men)	27,500	N/A	N/A	NA	28,900
– Continuing training (women)		N/A	N/A	N/A	

⁶³ Baseline figures will be available once the deliverables of baseline survey is accepted

Objective Indicators and Targets:

Objective: Improve the employability and productivity of beneficiaries in the agriculture, artisan, and fishery sectors

Objectives	Indicators	Definition	Source/ Methodology	Frequency
Functional Literacy				
	– % of newly literate small-scale fishers who got jobs on bigger boats	– % of artisan fishermen who got jobs on bigger boats (6 months after the end of training) with respect to total number of newly literate beneficiaries		– Baseline – Final Evaluation
Employability of beneficiaries is improved	– Number of days worked by artisans per year	– Number of days worked by artisans per year	Field surveys	
	– Number of days worked by farmers per year	– Number of days worked by farmers per year		
Vocational Training				
Employability of beneficiaries is improved	<ul style="list-style-type: none"> – Insertion rate⁶⁴ of vocational training graduates of residential training by gender – Insertion rate⁶⁵ of vocational training graduates of apprenticeship by gender 	(% of graduates who got a job at least once in the 9 months graduation after graduation) *100	Field surveys	– Baseline – Final Evaluation
Productivity of artisans beneficiary of continuing training	Sales per employee of artisan products	Sales divided by the number of employee		

⁶⁴ Insertion rate is the % of graduates who got a job at least once in the 9 months graduation after graduation.

⁶⁵ Insertion rate is the % of graduates who got a job at least once in the 9 months graduation after graduation.

Objectives	Indicators	Definition			Source/ Methodology	Frequency
Competitive skills program						
Number of enterprises created by gender						
Number of income generating activities created						
Objective :⁶⁶		Baseline	Year 2	Year 3	Year 4	Year 5
Functional Literacy						
<i>Small-scale fishers</i>						
– % of small scale fishermen who got jobs on bigger boats		0	0	5%	10%	15%
– Number of days worked by artisans per year		TBD				TBD
– Number of days worked by farmers per year		TBD				TBD
Vocational Training						
– Insertion rate for graduates of Residential training (men)		65%	N/A	N/A	68%	71%
– Insertion rate for graduates of Residential training (women)		65%	N/A	N/A	68%	71%
– Insertion rate for graduates of Apprenticeship training (men)		70%	N/A	N/A	73%	76%
– Insertion rate for graduates of Apprenticeship training (women)		70 %	N/A	N/A	73%	76%

⁶⁶ This table only includes indicators for which there are targets.

Objectives	Indicators	Definition			Source/ Methodology	Frequency
	– Sales per employee of artisan products	TBD ⁶⁷				TBD
Competitive skills program						
	Number of enterprises created	0	0		250 -TBD	
	Number of enterprises created by women					
	Number of income generating activities created	TBD ⁶⁸				
	Number of income generating activities created by women	TBD ⁶⁹				

⁶⁷ The baseline figures will be available once the baseline survey deliverables are accepted (march 2011)

⁶⁸ The project team does not have a visibility at this stage on this activity. The figures will be available in the next coming months.

⁶⁹ Idem

Outcome Indicators and Targets

Outcome: Functional literacy beneficiaries in the agriculture, artisan, and fisheries sectors become literate; vocational training beneficiaries obtained diploma/certificate

Outcome	Indicator	Definition	Source/ Methodology	Frequency
Functional Literacy				
Beneficiaries in the agriculture, artisan, and fisheries sectors become literate	Number of beneficiaries who become literate: <ul style="list-style-type: none"> ✓ Artisans (men & women) ✓ Small-scale fishers ✓ Wholesale market workers ✓ Mobile fish vendors ✓ Women working in fisheries ✓ Wives, Sons and daughters of fishers ✓ Farmers, ✓ Rural women, ✓ Sons and daughters of farmers 	Number of beneficiaries graduating with a functional literacy certificate	Project monitoring-evaluation reports	Annual
	Completion rate by gender and by category	Number of beneficiaries earning a literacy certificate / the number of persons initially registered		
Vocational Training				
Artisans acquire vocational skills	Number of beneficiaries who completed training: <ul style="list-style-type: none"> ✓ Residential by gender ✓ Apprenticeship by gender ✓ Continuing training by gender 	<ul style="list-style-type: none"> - Number of beneficiaries who obtained a diploma (residential and apprenticeship training) by gender - Number of beneficiaries who obtained a certificate (continuing training) by gender 	Project monitoring-evaluation reports	Annual

Outcome of competitive skills program	Indicator	Definition	Source/ Methodology	Frequency
Functional Literacy	Functional Literacy	Functional Literacy	Project monitoring-evaluation reports	Annual
	Number of additional beneficiaries who become literate	Number of additional beneficiaries who become literate		
	– women	– women		
	– Men	– Men		
Vocational Training	Vocational Training	Vocational Training		
	✓ Number of entrepreneurs (men) who designed a business plan with project technical assistance	✓ Number of entrepreneurs (men) who designed a business plan with project technical assistance		
	✓ Number of entrepreneurs (women) who designed a business plan with project technical assistance	✓ Number of entrepreneurs (women) who designed a business plan with project technical assistance		
	✓ Number of Income generating activities who designed a business plan with project technical assistance	✓ Number of Income generating activities who designed a business plan with project technical assistance		
	✓ Number of women Income generating activities who designed a business plan with project technical assistance	✓ Number of women Income generating activities who designed a business plan with project technical assistance		

Outcome	Baseline	Year 2	Year 3	Year 4	Year 5
Functional Literacy					
Number of beneficiaries who obtain a literacy certificate					
– Artisans (men)	0	0	1,411	4,800	7,200
– Artisans (women)			2,538	3,251	4,800
– Small-scale fishers and other beneficiaries in the fishery sector	0	0	1,090	5,150	7,640
– Wholesale market workers			240	280	
– Mobile fish vendors			720	880	
– Women working in fisheries					
– Wives, Sons and daughters fishers					
– Farmers			830	178	1,472
– rural women			578	1,086	2,576
– Sons and daughters of farmers				3,328	5,152
Completion rate					
– Artisans (women)	65%	-	75%	80%	85%
– Artisans (men)	65%	-	75%	80%	85%
– Small-scale fishers	65%	-	75%	80%	85%
– Women working in fisheries	65%	-	75%	80%	85%
– Sons and daughters of small scale fishers	65%	-	75%	80%	85%
– Farmers	65%	-	75%	80%	85%
– Rural women	65%	-	75%	80%	85%

Outcome	Baseline	Year 2	Year 3	Year 4	Year 5
– Sons and daughters of farmers	65%	-	75%	80%	85%
Vocational Training	Baseline	Year 2	Year 3	Year 4	Year 5
<i>Number of beneficiaries who completed training in vocational training</i>					
✓ Residential (men)	0	0	0	620	700
✓ Residential (women)					
✓ Apprenticeship (men)	0	0	0	1,250	1,600
✓ Apprenticeship (women)					
✓ Continuing training (men)	0	0	4,700	4,700	4,700
✓ Continuing training (women)					

Competitive skills program⁷⁰	Baseline	Year 2	Year 3	Year 4	Year 5
Functional Literacy					
Number of additional beneficiaries who become literate					
– women	0	0	TBD	TBD	TBD
– Men	0	0	TBD	TBD	TBD
Vocational Training					
– Number of entrepreneurs (men) who designed a business plan with project technical assistance	0	0	0	100	0
– Number of entrepreneurs (women) who designed a business plan with project technical assistance	0	0	0		
– Number of Income generating activities who designed a business plan with project technical assistance			TBD	TBD	TBD
– Number of women Income generating activities who designed a business plan with project technical assistance	0	0			

Output Indicators and Targets

⁷⁰ The targets of the indicators of this table will be available once the request for proposals is issued and offers are submitted by NGOs by April 2011

Output	Indicator	Definition	Source/ Methodology	Frequency
Functional Literacy training	Number of beneficiaries registered: <ul style="list-style-type: none"> ✓ Artisans men ✓ Artisans women ✓ Small-scale fishers ✓ Women working in fisheries ✓ Wives, Sons and daughters of fishers ✓ Farmers ✓ Rural women ✓ Sons and daughters of farmers 	Number of beneficiaries by gender	Project monitoring-evaluation reports	Annual
Vocational Training	Number of artisans registered (residential, apprenticeship and continuing training) by gender	Number of artisans registered (residential, apprenticeship, continuing) by gender	Project monitoring-evaluation reports	Annual
Competitive skills program	Number of additional beneficiaries registered in literacy training by gender	Number of additional beneficiaries registered in literacy training by gender	Project monitoring-evaluation reports	Annual
	Number of beneficiaries of technical assistance in pre-creation of enterprises and income generating activities by gender	Number of beneficiaries of technical assistance in pre-creation of enterprises and income generating activities by gender	Project monitoring-evaluation reports	Annual

Output	Indicator	Definition	Source/ Methodology	Frequency
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Literacy				
Training for supervisory trainers and managers	Number of supervisory trainers and managers trained by gender	Number of supervisory trainers and managers trained (by gender)	Project monitoring-evaluation reports	Quarterly
Local training of literacy trainers	Number of literacy trainers trained by gender	Number literacy trainers trained (by gender)	Project monitoring-evaluation reports	Annual
Local venues equipped for literacy training	Number of vocational training centers or other locations equipped to be used for literacy training	Number of vocational training centers or other locations equipped to be used for literacy training	Project monitoring-evaluation reports	Annual

Output	Indicator	Definition	Source/ Methodology	Frequency
Vocational training				
Vocational training centers are equipped	Number of vocational training centers equipped	Number of vocational training centers equipped according to new vocational training program specifications	Project monitoring-evaluation reports	Semi-annually (from 2011)
Training programs are designed or adapted	Number of modules delivered for continuing training	Number of modules delivered for continuing training	Project monitoring-evaluation reports	Annual
	Number of vocational training programs implemented	Number of vocational training programs implemented		
Training of trainers in the 5 fields and the managers of 15 centers	Number of trainers trained by gender	Number of trainers trained	Project monitoring-evaluation reports	Quarterly (from March 2010)
	Number of managers trained by gender	Number of managers trained		
Organization of seminars for continuing training of artisans in the 5 fields	Number of seminars of continuing training organized for artisans in the 5 fields	Number of seminars of continuing training organized for artisans in the 5 fields	Project monitoring-evaluation reports	Quarterly (from March 2010)

Output:	Baseline	Year 2	Year 3	Year 4	Year 5
Number receiving functional literacy training :					
✓ Artisans men	0	1,764	6,000	9,000	0
✓ Artisans women		3,172	4,064	6,000	
✓ Small-scale fishers, Women, sons and daughters of fishers	0	1,362	6,438	9,550	0
✓ Wholesale markets' workers		0	300	350	
✓ Small-scale fishers (Mobile's fish vendors)		0	900	1,100	
✓ Farmers	0	1,038	222	1,840	0
✓ Rural women		722	1,358	3,220	
✓ Sons and daughters of farmers		0	4,160	6,440	
Number receiving professional training					
✓ Residential training (men)	0	0	560	640	720
✓ Residential training (women)			140	160	180
✓ Apprenticeship (men)	0	0	1,425	1,805	2,565
✓ Apprenticeship (women)			75	95	135
✓ Continuing training (men)	0	0	4,750	4,750	4,750
✓ Continuing training (women)			250	250	250

Output:
Functional Literacy

Indicator	Baseline	Year 2	Year 3	Year 4	Year 5
Number of supervisory trainers and managers trained (Women)	0		170	38	0
Number of supervisory trainers and managers units trained (Men)	0	54	0	71	0
Number literacy trainers trained (Men)	0	188	112	0	0
Number literacy trainers trained (Women)	0	125	75	0	0
Number of local centers equipped for literacy training	0	0	100	150	0

Vocational Training

Indicator	Baseline	Year 2	Year 3	Year 4	Year 5
Number of vocational training centers equipped	0	0	8	7	
Number of plans and modules designed for continuing training	0	0	5	0	
Number of vocational training programs designed or adapted	0	0	2		
Number of seminars of continuing training organized for artisans in the 5 trades	0	0	250	250	250
Number of trainers trained -			40	20	
Number of managers trained -	0		30		
Number of continuing training beneficiaries		0	5,000	5,000	5,000
Competitive skills program⁷¹					
Number of additional beneficiaries registered in literacy training	0	0	TBD	TBD	
Number of additional women beneficiaries registered in literacy training	0	0	TBD	TBD	
Number of beneficiaries of technical assistance in pre-creation of enterprises and income generating activities	0	0	TBD	TBD	
Number of women beneficiaries of technical assistance in pre-creation of enterprises and income generating activities	0	0	TBD	TBD	

⁷¹ The targets of the indicators of this table will be available once the request for proposals is issued and offers are submitted by NGOs by April 2011

Common indicators for the Literacy and Vocational Training Activity⁷²

Indicator	Year 1	Year 2	Year 3	Year 4	Year 5
Value of signed contracts (\$US) for MCC-supported educational facility construction / rehabilitation and/or equipping	0	0	4,300,000	0	0
Percent of contracted construction / rehabilitation / equipping works disbursed	0	0	40 %	40 %	20 %
Educational facilities constructed / rehabilitated and / or equipped through MCC-supported activities (Literacy)	0	0	50	0	0
Educational facilities constructed / rehabilitated and / or equipped through MCC-supported activities (Vocational training)	0	0	0	8	7
Number of instructors trained or certified through MCC-supported activities		314	176	20	10
Number of students (any level) participating in MCC-supported education activities (FL+VT)	0	2,800	36,692	45,200	8,600
Additional primary / secondary / tertiary school female students enrolled in MCC-supported educational facilities (FL+VT)	0	2,426	7,244	11,300	2,150
Primary / secondary / tertiary / vocational school graduates in MCC-supported educational facilities (VT only) ⁷³	0	0	0	1,870	2,300
Employed graduates of MCC-supported training programs (VT only) ⁷⁴	0	0	0	1,270	1,640

⁷² Only those indicators with targets are reported on these tables.

⁷³ 2980 other project beneficiaries will graduates during the school year 2013-2014.

⁷⁴ 2200 other project beneficiaries will graduate during the school year 2013-2014

Annex V: Logical Framework for the Enterprise Support Project

Goal Indicators and Targets

Goal: Stimulate economic growth and reduce poverty through employment creation

Goal	Indicator	Definition	Source/ Methodology	Frequency
Enterprise survival rate for Moukawalati and AGR/INDH after the start of the project	Survival rate 2 years after the start of the pilot project	(For each of the three pilot studies: Number of enterprise beneficiaries remaining in business two years after the start of support/200)*100	Survey of Moukawalati and AGR/INDH enterprises (ME-4)	Impact evaluation at the end of the pilot
Value added is improved as a result of training	Value added per enterprise and AGR	Sales less costs	Enterprise survey at the end of the pilot (ME-4)	<ul style="list-style-type: none"> – Baseline – Impact evaluation at the end of the pilot
	Share of value added out of total sales	Value added/sales		

Goal:	Baseline⁷⁵	Year 2	Year 3	Year 4	Year 5
Enterprise survival rate for Moukawalati and AGR/INDH after the start of the project	94,25%	76.33%	80.89%	71.60%	64.51%
Value added per enterprise surviving through the 24 month training (\$)					
– Enterprise (ANPME & OFPPT)	\$8,541	NA	NA	\$8,968	\$9,418
– AGR/INDH	\$7,841	NA	NA	\$8,233	\$8,645

⁷⁵ Value Added as percent of sales = 30%

Objective Indicators and Targets

Objectives:				
Objective:	Indicator	Definition	Source/ Methodology	Frequency
Sales of young entrepreneurs increase.	Sales of young entrepreneurs by gender	Sales of young entrepreneurs (\$/enterprise)	Survey of young entrepreneurs and AGR/INDH (ME-4)	– Baseline – Impact evaluation of pilot

Objective ⁷⁶	Baseline Year 1	Year 2	Year 3	Year 4	Year 5
Sales of young entrepreneurs (\$/enterprise)					
– Enterprise (OFPPT & ANPME) ⁷⁷	\$28,471	NA	NA	\$29,895	\$31,389
– AGR/INDH ⁷⁸	\$26,137	NA	NA	\$27,444	\$28,817

⁷⁶ This table only contains indicators for which there are targets.

⁷⁷ Source TRIODOS, pending investigations followed by IPA to confirm these reference values, target values were calculated on the basis of a 5% increase in sales.

⁷⁸ Source IPA (Rapport d'enquête de référence, page 37)

Outcome Indicators and Targets

Outcome	Indicator	Definition	Source/ Methodology	Frequency
Enterprises develop action plans	Proportion of enterprises that have implemented action plans compared to the total number of enterprises who have received diagnosis and still operational	Number of enterprises implementing an action plan/number of enterprises receiving diagnosis and still operational	Follow up surveys (impact evaluation) Biannual	
Operational networks are	*Number of operational networks created as a result of networking events and information exchange workshops *Number of business transactions conducted as a result of information exchange workshops (a minimum of one business per enterprise) (ANPME)	Number of operational networks created as a result of networking events and information exchange workshops	Follow up surveys (impact evaluation)	Biannual

Outcome	Baseline	Year 1	Year 2	Year 3	Year 4
Proportion of enterprises that have implemented an action plan	0	0	0	70%	70%

compared to those who have received diagnosis and still operational (%)					
Number of operational networks created as a result of networking events and information exchange workshops	0	0	0 (OFPPT) 0 (INDH)	0 (OFPPT) 2 (INDH)	2 (OFPPT) 2 (INDH)
Number of business transactions conducted as a result of information exchange workshops (a minimum of one business per enterprise) (ANPME)	0	0	0	100	93

Output Indicators and Targets

Output	Indicator	Definition	Source/ Methodology	Frequency
Groups of entrepreneurs are trained	– Number of session of entrepreneurs are trained	Number of session of entrepreneurs are trained	Monitoring and Evaluation Units of the executing entities (ANPME, OFPPT, INDH)	Quarterly
Initial diagnosis of enterprises is conducted (including an action plan)	– Diagnostic days of enterprises ((including an action plan)	– Number of days of diagnosis ((including an action plan)		
Mid-term evaluation diagnostic is conducted	– Days of mid-term enterprises diagnostics	– Number of days of mid-term enterprises diagnostics		
Networking/forums for exchange are conducted	– Number of networking/exchange of information workshops	– Number of networking/exchange of information workshops		
Individual coaching and technical assistant is provided	– Number of days of individual coaching and technical assistant	Number of days of individual coaching and technical assistant		
Institutional strengthening is provided	– Number of training modules by type : project teams/networks (OFPPT, ANPME, INDH) – Number of beneficiaries by type : project teams/networks (OFPPT, ANPME, INDH) – Number of offices equipped with IT networking (OFPPT, ANPME, INDH) networks –	– Number of training modules by type : project teams/networks (OFPPT, ANPME, INDH) – Number of beneficiaries by type : project teams/networks (OFPPT, ANPME, INDH) – Number of offices equipped with IT networking (OFPPT, ANPME, INDH)		
		–		

Output	Indicator	Baseline	Year 1	Year 2	Year 3	Year 4
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Groups of entrepreneurs are trained	– Number of session of entrepreneurs are trained	0	0	0 (OFPPT) 0 (INDH)	20 (OFPPT) 138 (INDH)	10 (OFPPT) 0 (INDH)
Initial diagnosis of enterprises (including an action plan)	Number of days of diagnosis (including an action plan)	0	0	193 (ANPME) 194(OFPPT) 200 (INDH)	0	0
Mid-term evaluation diagnostic	Number of days of diagnosis (including a revised/confirmed action plan) ⁷⁹	0	0		184(ANPME) 187 (OFPPT) 200 (INDH)	
Networking/forums for exchange are conducted	Number of networking/exchange of information workshops	0	0	0(OFPPT) 0(ANPME) 0(INDH)	3(OFPPT) 20(ANPME)) 2 (INDH)	1(OFPPT) 2 (INDH)
Individual coaching and technical assistant is provided	Number of days of individual coaching and technical assistant	0	0	0 (ANPME) 0 (OFPPT) 0 (INDH)	2900 (ANPME) 2412 (OFPPT) 2500(INDH)	650(OFPPT) 650(INDH)

⁷⁹ Forecasting with a sink rate of 4.6% (assuming the economic model)

Output	Indicator	Baseline	Year 1	Year 2	Year 3
Institutional strengthening is provided	– Number of beneficiaries for project teams (OFPPT, ANPME, INDH)		0	12 (ANPME)	4 (INDH)
	– Number of beneficiaries from network			57 (ANPME)	120(OFPPT) 280 (INDH)
	– Number of training modules for project teams (OFPPT, ANPME, INDH)	0	0	8 (OFPPT) 6 (ANPME)	3 ((INDH)
	– Number of training modules for network			13 (ANPME) 16 (OFPPT) 26 (INDH)	
	– Number of offices (OFPPT, ANPME, INDH) and DAS equipped with IT	0	0		25 (ANPME) 49 (OFPPT) 76 (INDH)

Annex VI: Logical Framework for the Financial Services Project

Goal Indicators and Targets

Goal: Improve access to microfinance services

Goal	Indicators	Definition	Source/Methodology	Frequency
Improving access to microfinance services	Number of active clients in the microfinance sector ⁸⁰	Number of active clients in the microfinance sector	Statistics from FNAME, and Reports from Jaida	Semi--annual
	Outstanding Portfolio ⁸¹ of the microfinance sector	Outstanding Portfolio		

⁸⁰ A client is active when his/her loan is not due and is not in default.

⁸¹ Remaining principal due

Goal	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
Number of active⁸² clients	1,282,000	919,148	850,000	937,125	1,033,180	1,139,081	Scenario 1 : +10% ⁸³ natural growth starting 2011 +0.25% growth resulting from PSF (7731 active clients)
	1,282,000	919,148	850,000	943,500	1,047,285	1,162,486	Scenario 2 : +10% natural growth starting 2011 +1% growth resulting from PSF (31 136 active clients)
Outstanding portfolio (in Billion MAD)	5,682	4,796	4,950	5,457	6,017	6,633	Scenario 1 : +10% natural growth starting 2011 +0.25% growth resulting from PSF
	5,682	4,796	4,950	5,495	6,099	6,770	Scenario 2 : +10% natural growth starting 2011 +1% growth resulting from PSF

⁸² Real values and targets correspond to the calendar year.

⁸³ Scenario 1 and 2 of annual growth due to PSF, + 0.25% and +1% respectively, based on data from the compact. The natural growth of 10% was adjusted due to the actual situation of the microfinance sector

Objective Indicators and Targets

Objective	Indicator	Definition	Sources and data collection means	Frequency
Microcredit associations (AMCs) have a better handle on risk AMCs are more efficient	- % Portfolio at risk at 30 days	- Portfolio at risk at 30 days/total portfolio	Statistics from Center Mohammed 6	Semi-annual
	- Portfolio rate of return	- Total credit revenue/ average outstanding portfolio of the year n and (n-1)	Statistics from Center Mohammed 6 + the financial statements certified of all AMCs	Annual
	- OSS : Operational self sufficiency ratio	- Financial Revenue/(Financial Expense + Impairment Losses on Loans + Operating Expenses		
	- Return on equity	- Net income of the year (n)/ average equity of the year n and (n-1)		

N.B: Indicators related to efficiency require analysis of data from the financial statements of all AMCs of the sector

Objective	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5
- Portfolio at risk at 30 days	4,77%	4,85%	6,75%	5,5%%	5%%	4,99%
- Portfolio rate of return ⁸⁴	24%	22%	23%	24%	25%	26%
- OSS : Operational self sufficiency ratio ⁸⁵	99%	-	94%	99%	104%	109%
- Return on equity ⁸⁶	1%	1.9%	2%	2%	3%	3%

⁸⁴ Sector figures are based on data from the five largest AMC : financial revenue = 1271452 KMAD, outstanding gross portfolio year (n) = 5316123 KMAD, outstanding gross portfolio year (n-1) =5430920 KMAD

⁸⁵ Sector figures Sector figures are based on data from the five largest AMC: financial revenue = 1271452 KMAD, financial expenses = 254902 KMAD, Impairment & loss on loans = 442265, operating expenses =581055MAD

⁸⁶ Sector figures Sector figures are based on data from the five largest AMC: Net income of the year (n) =8964 KMAD, total equity portfolio year (n) = 1308441 KMAD, total equity portfolio year (n-1) = 1155123 KMAD

Outcome Indicators and Targets

Outcome	Indicator	Definition	Source/Methodology	Frequency
Financing to AMCs is improved	<ul style="list-style-type: none"> – Number of loan agreements between AMCs and Jaida – Value of loan agreements between AMCs and Jaida 	<ul style="list-style-type: none"> – Number of loan agreements between AMCs and Jaida – Value of loan agreements between AMCs and Jaida 	Semi-annual reports from JAIDA	Semi-annual
AMCs are conforming to the BAM⁸⁷ standards for credit bureau reporting	<ul style="list-style-type: none"> - % of AMCs that report information on their portfolio to the credit bureau - % Of AMC that request information on the Central Risk 	<ul style="list-style-type: none"> - % of AMCs that report information on their portfolio to the credit bureau - % Of AMC that request information on the Central Risk 	Statistics from FNAM and BAM	Annual
AMCs obtain ratings	% of AMC who have a financial rating	% of AMC who have a financial rating	DSF narrative report	Semi-annual
	% of AMC who have a social rating	% of AMC who have a social rating	DSF narrative report	Semi-annual
Remote rural areas have better access to micro credits	<ul style="list-style-type: none"> - Number of clients of AMCs reached through mobile branches by gender - Value of loans granted through mobile branches 	<ul style="list-style-type: none"> - Number of clients of AMCs reached through mobile branches - Value of loans granted through mobile branches 	Monitoring Report for DSF	Semi-annual

Outcome	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5
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⁸⁷ BAM: Bank Al Maghrib (Moroccan central bank)

Number of loan agreements between AMCs and Jaida⁸⁸	4	1	9	TBD	TBD	TBD
Value of loan agreements between AMCs and Jaida (million MAD)⁸⁹	276	250	238	TBD	TBD	TBD
% of AMCs that report information on their portfolio to the credit bureau	0	17%	30%	60%	100%	100%
% Of AMC who requests information on the Central Risk	0	0%	0%	0%	100%	100%
% of AMC who have a financial rating	0	0	17%	42%	58%	83%
% of AMC who have a social rating	0	0	17%	42%	58%	83%
Number of clients of AMCs reached through mobile branches⁹⁰	0	0	0	TBD	TBD	TBD
Value of loans granted through mobile branches⁹¹	0	0	0	TBD	TBD	TBD

⁸⁸ AMC's business plans cover two years. The target for year 4 and 5 will be known in year 3.

⁸⁹ AMC's business plans cover two years. The target for year 4 and 5 will be known in year 3.

⁹⁰ The AMCs' business plans and objectives for client outreach through mobile branches should be received on February 5, 2011.

⁹¹ The targets will be known in April, 2011

Output Indicators and Tar gets:

Output	Indicators	Definition	Source/Methodology	Frequency
Improving AMC's access to funds through Jaida	Value of loan disbursements to Jaida	Value of loan disbursements to Jaida	Monitoring of the project SF	Semi-annual
The rating fund is set up	Number of AMCs that benefited from the rating fund	Number of ratings completed	Monitoring of the project SF	Semi-annual
Implementation of the MIS solution	Number of AMCs that benefited from the Technology Facility	Number of AMCs using the MIS solution	Monitoring of the project SF	Annual
Training AMC staff on environmental and social aspects by gender (ESA)	Number of beneficiaries of the ESA training	Number of beneficiaries	Monitoring of the project SF	Semi-annual
Implementation of the mobile branches	Number of mobile branches acquired	Number of mobile branches acquired	Monitoring of the project SF	Semi-annual

Output indicators⁹²	Baseline	Year 1	Year 2	Year 3	Year 4	Year 5
Value of loan disbursements to Jaida (Million US \$)	0	6.5	12.8	0	5.7	0
Number of AMCs that benefited from the rating fund	0	0	2	5	7	10
Number of AMCs that benefited from the Technology Facility	0	0	0	4	8	9
Number of beneficiaries of the training on social and environmental aspects	0	0	2,100	1,000	0	0
Number of mobile branches acquired	0	0	0	50	0	50

⁹² This table only reflects indicators for which there are targets.